

Kyiv National University of Trade and Economics
Department of international economic relations

FINAL QUALIFYING PAPER
on the topic:
“The Management of Export Activity of Enterprise”
(based on the data of LLC “AEROS”, Kyiv)

Student of the 2nd year, group 5a,
speciality 073 «Management»,
specialization « Management of FEA
»

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ВИПУСКНА КВАЛІФІКАЦІЙНА РОБОТА

на тему:

«Управління експортною діяльністю підприємства»
(на матеріалах ТОВ «АЕРОС», м. Київ)

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SUMMARY
TO THE FINAL QUALIFYING PAPER
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The object of investigation is process of organization and planning of export activity.

The subject of investigation theoretical and practical aspects of planning and organization of export activity on enterprise.

Enterprise that is a basis for writing master diploma work is LLC “AEROS”.

Purpose of final qualifying work - to develop directions for improving the planning and organization of export activities of the enterprise.

Tasks:

- To determine the essence of the export activity of the enterprise;
- To discover the content and implementation of export activity.
- To identify the features of the export activity of the enterprise;
- To define the methodological approaches to assessment of the effectiveness of export activity of the enterprise;
- To investigate the general characteristic of the LLC “AEROS” export activity;
- To analyze the enterprise export activity;
- To determine the expediency of export activity improvement;
- To suggest the measures to improve the efficiency of export activity of the LLC “Aeros”;
- To make forecast of changes in the export activity of the enterprise on the basis of proposed changes

Methods of investigation: analysis (researching of enterprise activity to examine export features); synthesis (studying the financial result of company to make a conclusion); comparison (identifying the difference between standard company’s activity and forecasted after taking improvement measures); axiomatic (reference to the existing economic theories).

In the introduction to the work the current situation and actuality and value of chosen topic are explained; the object of research, subject of research, significance and aim are

defined. Main tasks of this diploma work are explained. Described the main methodological instruments used in the paper.

In the first part of work “The theoretical basis and methodic of export activity of the enterprise” are defined, a mechanism for planning and implementing export activity of an enterprise is described. Methodological approaches to the assessment of export presents the effectiveness of the enterprise.

In the second part of the work “General analysis of the management system of export activity of LLC “Aeros” the management system of enterprise is described. The financial indicators of company’s operational activity examined.

In the third part of the work “The improvement of the management of the export activity of LLC “Aeros” the reserves for improvement are defined. The measures for improvement are proposed. Forecast of financial result after conducting export activity on a new basis is calculated.

Conclusions and proposals contains the generalization of the result of this paper. Brief presentation of the results of the research. Shortly defined the most important theoretical positions that contain the formulation of the problem, and results of measures for its solution. The results of the whole diploma paper are summarized.

АНОТАЦІЯ

Фенюк І. Управління експортною діяльністю підприємства

Випускна кваліфікаційна робота на здобуття освітнього ступеня магістра за спеціальністю 073 “Менеджмент”, спеціалізацією “ Менеджмент ЗЕД”. Київський національний торговельно-економічний університет, 2018.

Випускна кваліфікаційна робота присвячена вивченню факторів, що впливають на ведення ефективної експортної діяльності промислового підприємства в умовах розвитку сучасних зовнішньоекономічних зв'язків. В роботі розглянуті ключові проблеми, що стримують розвиток експорту, представлена економічна обгрунтованість його вдосконалення, описані особливості формування і реалізації експортних стратегій виходу на нові міжнародні ринки збуту.

Мета дипломної роботи - Розробка рекомендацій щодо підвищення ефективності зовнішньоекономічної діяльності за рахунок оптимізації експортних операцій ТОВ «Аерос».

В дипломній роботі детально розглянуті підходи до поняття зовнішньоекономічна діяльність, особливості зовнішньоторговельних операцій. Вивчено динаміку і структуру основних показників діяльності фірми, розглянута динаміка і структура експортних операцій, проведено аналіз ефективності експортних операцій ТОВ «Аерос». Розроблено рекомендації щодо підвищення ефективності зовнішньоекономічної діяльності фірми за рахунок оптимізації експортних операцій.

Ключові слова: експортна діяльність, промислове підприємство, стратегії управління експортом, зовнішньоекономічна діяльність, оптимізація експортної діяльності, ефективність експорту.

ABSTRACT

Feniuk I. The Management of Export Activity of Enterprise

Graduation qualifying work for obtaining an educational master's degree in specialty 073 "Management", specialization "Management of Foreign Economic Affairs". Kyiv National University of Trade and Economics, 2018.

The final qualification work is devoted to the study of factors influencing the effective export activity of an industrial enterprise in the conditions of development of modern foreign economic relations. This paper considers the key problems hindering the development of exports, presents the economic feasibility of its improvement, describes the peculiarities of the formation and implementation of export strategies for the emergence of new international markets.

The purpose of the diploma paper - Development of recommendations for improving the efficiency of foreign economic activity through optimization of export operations of LLC "Aeros".

In this work the approaches to the concept of foreign economic activity, peculiarities of foreign trade operations are considered in detail. The dynamics and structure of the main indicators of the firm's work, dynamics and structure of export operations are considered, the analysis of the efficiency of export operations of LLC "Aeros" is conducted. Recommendations for improving the efficiency of the company's foreign economic activity by optimizing export operations are developed.

Key words: export activity, industrial enterprise, export management strategies, foreign economic activity, optimization of export activity, export efficiency.

CONTENT

INTRODUCTION.....	9
PART 1. THE THEORETICAL BASIS AND METHODIC OF EXPORT ACTIVITY OF THE ENTERPRISE	
1.1. The essence and role of foreign economic activity of enterprise.....	11
1.2. The management of export activity: content and mechanism of implementation.....	21
1.3. The methodic approaches to evaluating export activity efficiency.....	30
CONCLUSION TO THE PART 1.....	38
PART 2. GENERAL ANALYSIS OF THE MANAGEMENT SYSTEM OF EXPORT ACTIVITY OF LLC “AEROS”.	
2.1. The analysis of financial and economic indicators of LLC “Aeros”.....	40
2.2. The analysis of management system of export activity of LLC “Aeros”.....	48
2.3. The estimation of export activity efficiency of LLC “Aeros”.....	56
CONCLUSION TO THE PART 2.....	65
PART 3. THE IMPROVEMENT OF THE MANEGEMENT OF THE EXPORT ACTIVITY OF LLC “AEROS”	
3.1. The verification of reserves for improving management of the export activity of LLC “Aeros”.....	67
3.2. The measures of increasing export activity efficiency of LLC “Aeros”.....	79
3.3. Forecasted changes in management system of export activity of LLC “Aeros” on the basis of suggested measures.....	88
CONCLUSION TO THE PART 3.....	94
CONCLUSION.....	96
REFERENCES.....	99
ANNEXES	

INTRODUCTION

Foreign economic activity – is the complex of organizational-economic, production-economic and operational-commercial functions of enterprises oriented to the world market, taking into account the chosen foreign economic strategy, forms and methods of work in foreign markets.. The main criterion for export of goods is the crossing of the country's customs border, or, in the case of an export operation without export through the customs border, the sale of goods to an enterprise with foreign capital for a foreign (converted) currency.

A significant feature of the functioning of the world economy at the beginning of the XXI century is the intensive development of international economic relations. Foreign economic activity is one of the most important elements of the mechanism of management of international economic relations carried out through the conduct of commercial operations.

The modern stage of world economic relations is characterized by the expansion of all forms of international economic relations based on the rapid growth of productive forces, which is due to accelerated scientific and technological progress. Because of this, there is an increasing concentration of production and enlargement of its size, which enhances the tendency towards internationalization of economic life, contributes to the development of international specialization and cooperation of production.

The significance of research. Foreign economic activity is one of the main forms of economic relations between Ukraine and foreign countries. One of the forms of foreign economic activity is foreign trade. It plays a huge role in raising the country's economic prosperity, improving living standards and strengthening the state's position on the world stage. Foreign economic operations, as an integral part of foreign trade and the most important source of revenue for the state. Achieving maximum efficiency of

export operations, and, therefore, maximizing profits is possible only with the use of knowledge and experience accumulated over a long period.

The purpose of the research is to analyze the results of foreign economic operations and to develop recommendations and proposals for improving the efficiency of foreign economic activity in Ukraine.

The main tasks of the graduation work is:

- studying the company's experience in the implementation of foreign economic activity;
- consideration of the theoretical basis of the organization of foreign economic operations;
- analysis of the legislative and normative base existing in Ukraine on this case;
- development of measures to improve the organization and increase the efficiency of foreign economic activity at the enterprise.

The object of research is the process of the export operations management of enterprise.

The subject of research the theoretical and methodological aspects of planning and organization of export activity of enterprise.

Enterprise that is a basis for final qualifying paper is LLC "Aeros".

Methods of research.

The research was conducted on the basis of such general scientific and special methods of scientific knowledge: theoretical, comparative-economic, system-structural methods and the method of analysis and synthesis.

Tasks of research:

- disclosure of the theory of management of foreign economic activity at the enterprise;
- characteristic of foreign economic activity of a particular enterprise;
- acquaintance with export activity of a this enterprise, estimation of its efficiency;
- indicate ways to increase the efficiency of export activity on a particular enterprise;
- suggest measures of improving economic efficiency of export operations;
- forecast the financial result of suggested measures.

PART 1. THE THEORETICAL BASIS AND METHODIC OF EXPORT ACTIVITY OF THE ENTERPRISE

1.1. The essence and role of foreign economic activity of enterprise.

Globalization of economic activity is one of the main directions in the modern world development, which has a significant impact not only on economy but also political (domestic and international), social, cultural and even civilian consequences. Almost all countries and Ukraine increasingly feel these consequences among them, which is fully conscious, actively and purposefully moving towards integration into the international economy.

The development of civilization causes the constant involvement of individual states in international economic relations, which leads to the creation of a single world economy. All countries of the world develop according to general economic laws, which determines the priority of the economic nature of international relations.[21]

Constantly complicated structure of needs, rarity and remoteness resources require more and more effective means of exchange, not only between regions within a separate state, but also between the states themselves and world regions.

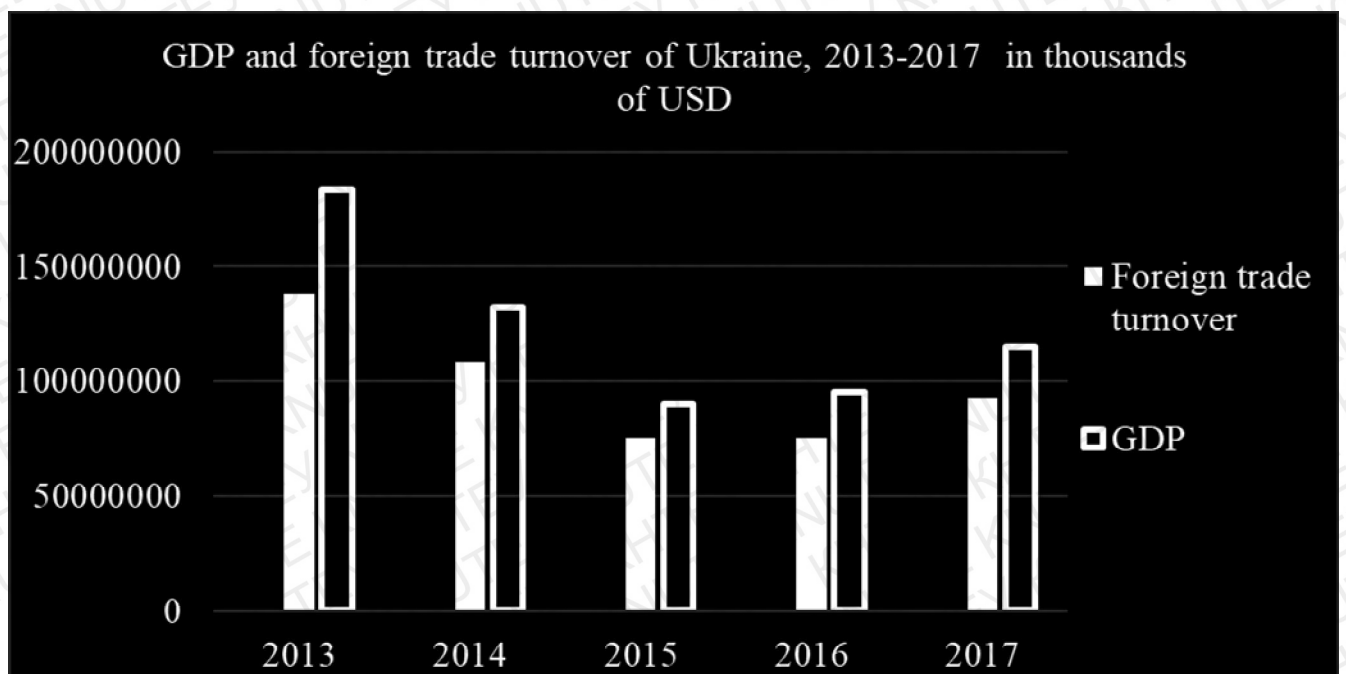
Economic development and population growth in different regions of the world are uneven, which also causes the need to expand international exchanges that promote the development of new markets (goods, services, labor, information, financial, etc.), raw materials, technological and information exchange, scientific and technical, industrial, cultural and other foreign economic relations.

Foreign economic relations are a complex system of diverse forms of international cooperation of states and their subjects in all sectors of the economy. The subjects of the state include the bearers of the rights and duties imposed on them by the

state. These are regions located on self-management, economic entities (economic partnerships and societies, unitary enterprises, etc.) and individual entrepreneur.[17]

Foreign economic relations are a historical and economic category.

As a historical category, foreign economic relations are a product civilization. They arise with the emergence of states and are developing with them. A particularly powerful impetus to the development of these ties was the expansion of feudalism. The transition from subsistence economy to commodity-money relations caused a sharp leap in the development of national markets of individual states and in the exchange of goods of these national markets, which led to the expansion and deepening of international ties and international exchange in the economic sphere of state relations.



Pic 1.1. GDP and foreign trade turnover of Ukraine, 2013-2017 in thousands of USD.[71]

Gross Domestic Product (GDP) is a monetary measure of the market value of all the final goods and services produced in a period of time, often annually or quarterly. Nominal GDP estimates are commonly used to determine the economic performance of a whole country or region, and to make international comparisons.

Foreign trade turnover is an economic indicator measured in monetary terms that characterizes the volume of foreign trade of a country, a group of countries or an

administrative-territorial entity (region) for a certain period of time: month, quarter, year. Equal to the sum of export and import values.

As you can see from the Pic 1.1, the amount of foreign trade turnover is close to the amount of GDP, so foreign economic activity has a vital role for Ukraine in current world's globalization conditions.

As an economic category, foreign economic relations represent a system of economic relations arising from the movement of resources of all kinds between states and economic subjects of different states.

These bilateral relations cover all spheres of economic the life of the state and, above all, its production, trade, investment and financial activities.

The essence of foreign economic relations as an economic category is manifested in their functions.[53, p. 73]

In the modern world economy, foreign economic relations act as factors for the growth of the national income of the state, the economy of economic costs and the acceleration of scientific and technological progress

The implementation of these links allows the transfer of interstate cooperation from the usual exchange of goods to trade in services, a joint solution of technical and economic problems, development of scientific and industrial cooperation and other forms of joint economic activities, including the creation of joint ventures.

Through the mechanism of foreign economic relations, the demand for goods and services of the world market is transferred to the domestic market of a particular state. This calls for the development of productive forces, which, in turn, contributes to the development of industry, agriculture, trade, services and financial institutions.

The development of the domestic market of the country leads to an anticipation of the volume of supply over the volume of demand within the state, which causes expansion of foreign trade operations, a reduction in the cost of capital and a reduction in the costs of production and circulation.

There is a several forms of foreign economic activity. Which form the opportunity for enterprise to enter the international market.

Export is the export of goods, works, services, the results of intellectual activity, including exclusive rights to them, from the customs territory abroad without an obligation to re-import. The fact of export is fixed at the moment of crossing the goods by the customs border, the provision of services and rights to the results of intellectual activity. [13, p. 172]

The export of goods is equated with individual commercial transactions without export of goods from the customs territory abroad.

Import - import of goods, works, services, results of intellectual activity, including exclusive rights to them, to the customs territory from abroad without an obligation to re-export. The fact of import is fixed at the moment when the goods cross the customs border, receive services and rights to the results of intellectual activity.

Re-export is the sale and exportation of previously imported goods abroad, which was not subject to any processing in the re-exported country. Customs statistics re-export are also considered operations in which goods that are transferred are sent to a new buyer without a transfer to the re-exported country. The object of re-export is most often the goods that are sold at international auctions and commodity exchanges.[24]

Re-export operations are carried out by trading firms for profit by the difference in prices for the same goods in different markets. The country whose firm is re-exporting receives trade profits and benefits from the provision of transportation services, insurance, credit and other merchant operations.

Re-export operations provide for the conclusion of two foreign trade agreements by a re-exporter. Under the first contract, he buys the goods, and on the second - sells it.

A desirable condition for conducting re-export operations is the existence of a territory in which goods are not taxed, for example, free economic zones. Goods that are imported into the territory of such zones are not subject to customs duty and are exempted for the entire period of conservation from taxes. In the case of the sale of goods into the country, when they are moved across the customs border, a customs duty is paid, and in case of re-export, the goods are exported without any customs formalities.

Re-export operations are carried out, usually, on the order of the final importer who does not have access to the market of the exporter's country and does not want to bear the costs associated with such enter. Sometimes the reason for re-export operations is the trade and political conditions that restrict exports or imports to some countries.

Transportation of goods through the country is not considered as a re-export.

Re-import is the acquisition and delivery from abroad of a previously exported good, which is not subject to any processing or modification there. Such operations include the return of goods rejected by the buyer, the return of goods not sold at auctions, and through consignment warehouses. The main sign of re-import operations is the two-fold crossing of goods by the goods of the borders of their country - when exporting and when importing. Return from abroad of domestic goods from exhibitions and fairs to re-import does not belong.

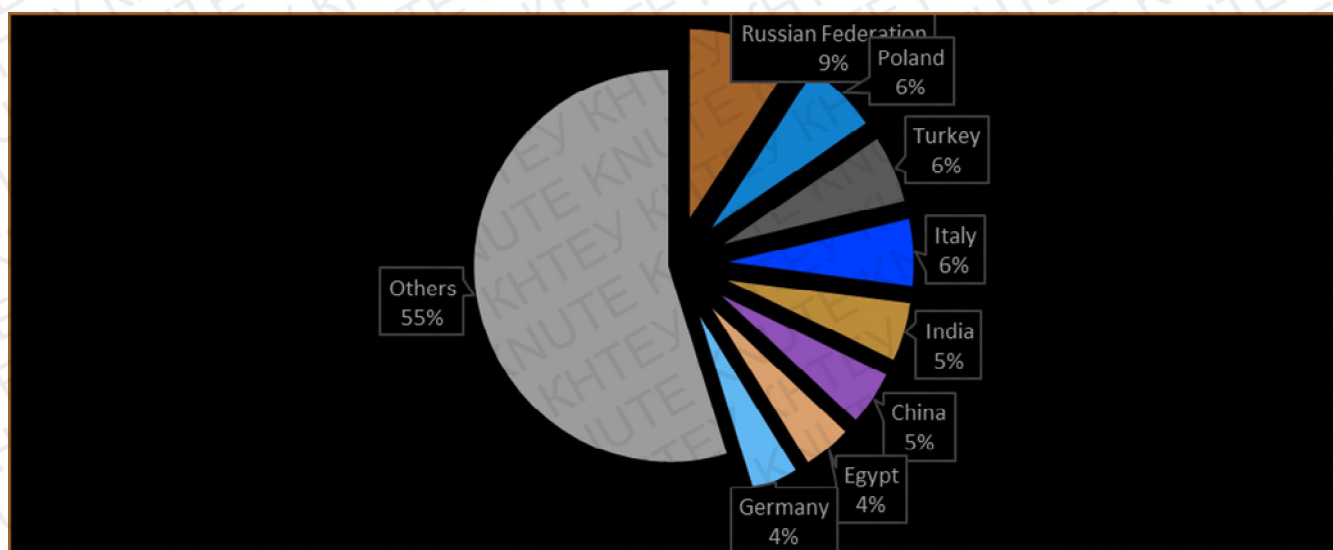


Figure 1.2. Regional structure of export in Ukrainian FEA [59].

<http://www.ukrstat.gov.ua/>

As you can see from Pic. 1.2, Ukraine has a moderate level of dependence from its main foreign trade partners in terms of export. Eight main export partners make less than 50% (45% actually) of the whole export turnover of the country.

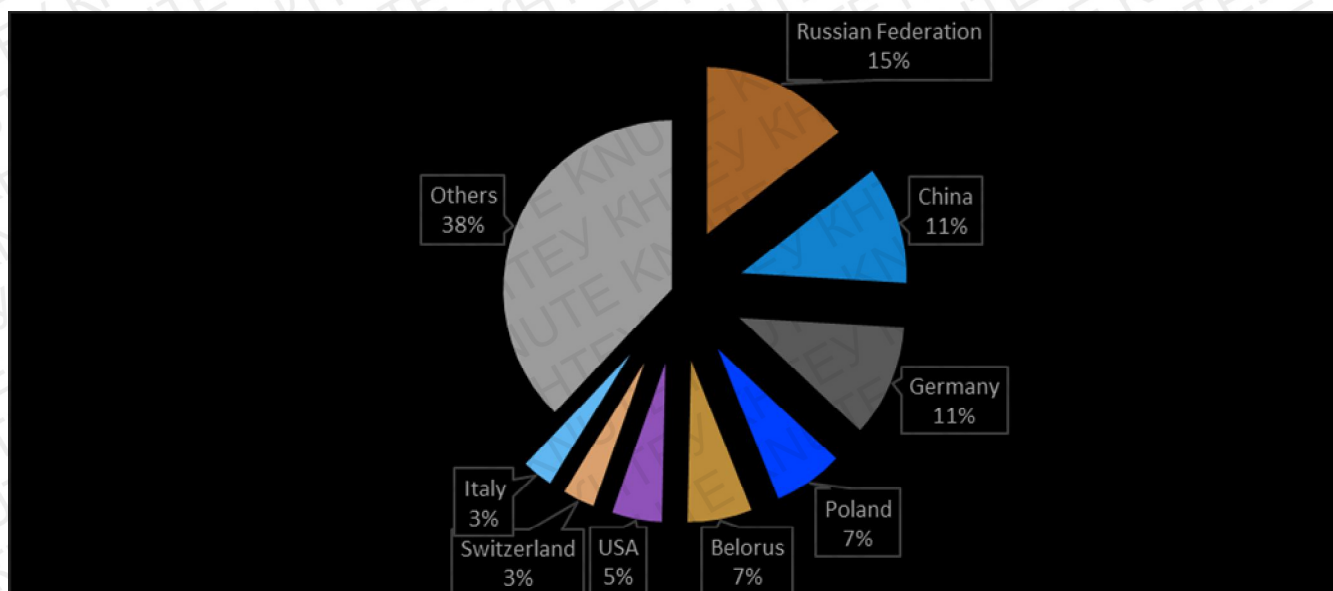


Figure 1.3 Regional structure of import in Ukrainian FEA [59].

<http://www.ukrstat.gov.ua/>

As you can see from the picture above, Ukrainian foreign economic activity in the sphere of import more dependent from its main partners than in export sphere, because 8 main countries form 62% of Ukrainian import economic activity instead of 45% in export.

Foreign trade activity is an entrepreneurial activity in the field of international exchange of goods, works, services, information, results of intellectual activity, including exclusive rights to them (intellectual property). Here, the commodity is understood to be any movable property (including all types of energy) and referred to real estate air, sea vessels, inland navigation vessels and space objects that are the subject of foreign trade activity. Vehicles used in the contract for international transport are not goods.[51]

Until recently it was believed that the main subjects of globalization are countries. But researches of the last decade have shown that real control over the processes of globalization is increasingly moving to the world's industrial and financial elite in the form of global corporations and global banks. According to the World Bank, there are 51 transnational corporations and 49 states belonging to the 100 largest international economic entities. The turnover of the largest TNCs is comparable to that of developed countries such as France, the Netherlands, Sweden, Australia, and Canada.

Consequently, international economic relations in the present conditions of globalization are increasingly take on a forms of transnationalization, developing at the micro level, that is, the levels of international corporations. The enterprise itself, and not the state, becomes the main subject of the foreign economy.

Foreign economic activity of enterprises - this sphere of economic activity, associated with international production and scientific and technical cooperation, export and import of products, the enter of the company to the external market.

Subjects of economic activity of Ukraine and foreign subjects of economic activity in the implementation of foreign economic activity are guided by the following principles:

The principle of freedom of foreign economic activity, consisting of:

- the right of subjects of foreign economic activity voluntarily enter into foreign economic relations;
- the right of subjects of foreign economic activity to carry it out in any forms that are not directly prohibited by current laws of Ukraine;
- the duty to observe the procedure established by the laws of Ukraine in the course of the implementation of foreign economic activity;
- the exclusive right of ownership of the subjects of foreign economic activity to all the results obtained by them in foreign economic activity;

Principle of legal equality and non-discrimination, consisting of:

- equality before the law of all subjects of foreign economic activity, regardless of the forms of ownership, including the state, in the implementation of foreign economic activity;
- prohibition of any actions of the State, other than those provided for by this Law, which result in the restriction of rights and discrimination of foreign economic entities, as well as foreign economic entities by form of ownership, location and other features;
- inadmissibility of restrictive activity by any of its subjects, except in cases prescribed by this Law;

The principle of the rule of law, consisting of:

- regulation of foreign economic activity only by the laws of Ukraine;
- prohibition of the use of secondary legislation and managerial acts of local authorities, which in any way create conditions for subjects of foreign economic activity less favorable than those established by the laws of Ukraine;

The principle of protecting the interests of the subjects of foreign economic activity, which consists in the fact that Ukraine as a state:

- ensures equal protection of interests of all subjects of foreign economic activity and foreign subjects of economic activity on its territory in accordance with the laws of Ukraine;
- carries out equal protection of all subjects of foreign economic activity of Ukraine outside of Ukraine according to the norms of international law;
- protects the state interests of Ukraine, both within its territory and abroad, only in accordance with the laws of Ukraine, the conditions of the international agreements signed by it and the norms of international law;

The principle of equivalence of exchange, is what the dumping in the import and export of goods is unacceptable.[57]

All subjects of foreign economic activity have the equal right to carry out any of its kinds, which are not directly prohibited by the laws of Ukraine, regardless of the forms of ownership and other features. Individuals who have a permanent residence in the territory of Ukraine have a specified right if they are registered as entrepreneurs in accordance with the Law of Ukraine. Individuals who do not have a permanent residence in the territory of Ukraine have a specified right if they are subjects of economic activity according to the law of the state in which they have their permanent residence or citizens of which they are. Legal entities have the right to carry out foreign economic activity in accordance with their statutory documents from the moment they have a status of legal entity.[4]

The subjects of foreign economic activity in Ukraine are:

- individuals - citizens of Ukraine, foreign citizens and stateless persons who have civil legal capacity and legal capacity in accordance with the laws of Ukraine and permanently reside on the territory of Ukraine;

- legal entities registered in Ukraine and located on the territory of Ukraine (enterprises, organizations and associations of all kinds);
- the association of physical, legal, physical and legal entities who are not legal entities in accordance with the laws of Ukraine, but who are in Ukraine and which civil laws of Ukraine are not prohibited from conducting business activities;
- structural units of foreign business entities that are not legal entities in accordance with the laws of Ukraine (branches, subsidiaries, etc.), but are located in the territory of Ukraine;
- general enterprises with participation of economic entities of Ukraine and foreign business entities registered in Ukraine and having a permanent location on the territory of Ukraine;
- other subjects of economic activity, stipulated by the laws of Ukraine.
- Ukraine represented by its organs, local authorities and management in the form of foreign economic organizations established by them, participating in foreign economic activity, as well as other states participating in economic activity in the territory of Ukraine, act as legal entities in accordance with the International and Ukrainian Legislation.[1]

The types of foreign economic activity carried out in Ukraine by the subjects of this activity include:

- export and import of goods, capital and labor;
- provision of services by foreign economic entities of Ukraine to foreign business entities, including: production, transport and forwarding, insurance, consulting, marketing, export, brokerage, agency, consignment, management, accounting, auditing, legal, tourism, etc., which are not directly and exclusively prohibited by the laws of Ukraine; provision of the above-mentioned services by foreign business entities to entities of foreign economic activity of Ukraine;
- scientific, scientific-technical, scientific-industrial, industrial, educational and other cooperation with foreign subjects of economic activity; training and training of specialists on a commercial basis;

- international financial transactions and securities transactions in cases stipulated by the laws of Ukraine;
- credit and settlement transactions between foreign economic entities and foreign business entities; Creation of subjects of foreign economic activity of banking, credit and insurance institutions outside Ukraine; creation of foreign entities of economic activity of these institutions in the territory of Ukraine;
- joint business activity between the subjects of foreign economic activity and foreign subjects of economic activity, which includes the creation of joint ventures of different types and forms, joint economic operations and joint ownership of property both on the territory of Ukraine and abroad;
- entrepreneurial activity on the territory of Ukraine, connected with the granting of licenses, patents, know-how, trade marks and other intangible objects of property on the part of foreign business entities; similar activity of subjects of foreign economic activity outside Ukraine;
- organization and implementation of activities in the field of exhibitions, auctions, conferences, symposiums, seminars and other similar activities carried out on a commercial basis, with the participation of foreign economic entities; organization and implementation of wholesale, consignment and retail trade on the territory of Ukraine for foreign currency in cases stipulated by the laws of Ukraine;[30]
- commodity exchange (barter) operations and other activities, based on forms of counter trade between foreign economic entities and foreign business entities;
- leases, including leasing, transactions between the subjects of foreign economic activity and foreign subjects of economic activity;
- operations for the purchase, sale and exchange of currency at foreign exchange auctions, foreign exchange exchanges and interbank foreign exchange market;
- work on a contractual basis of individuals of Ukraine with foreign business entities both on the territory of Ukraine and abroad; the work of foreign individuals on a contractual basis for payment with subjects of foreign economic activity both on the territory of Ukraine, and beyond;

- other types of foreign economic activity, not prohibited directly and in an exclusive form by the laws of Ukraine.[46]

Intermediary transactions, in the course of which the ownership of the goods does not pass to the intermediary (on the basis of commission, agency agreements, contracts of the order, etc.), are carried out without restrictions.

Foreign economic activity play a vital role in the modern world of business and globalization. Operation within local market isn't enough to become really successful, so foreign economic activity is the main way to expand enterprise's activity and diversify market place.

1.2. The management of export activity: content and mechanism of implementation.

The external economic activity of the firm includes such basic directions:

- access to the foreign market;
- export-import supplies of goods, services and capital;
- monetary, financial and credit operations;
- creation and participation in the activities of joint ventures;
- international marketing;
- Monitoring of national economic policy and economy of world economic relations.

The company's market strategy provides for the comparison of all alternative options in the field of foreign economic activity and the grounds for an optimal solution.[50, p. 217]

The process of development of the company's market strategy includes such stages:

I. Analysis of all aspects of foreign trade activities of the firm. In this case it is necessary to:

- a) analyze the position of the firm on the market with the goods and services that the firm produces at the moment;
- b) study the activities of the firm from the positions of the consumer of the goods and services of the company;
- c) analyze the activities of the firm from the positions of the market.

II. Analysis of the future market (analysis of supply and demand). It is important for the firm to determine the state of market in the near future, in what direction this market will develop and what the consumers expect from the company in the future. In this case it is necessary:

- a) compare the position of the firm with the capacity of the future market;
- b) analyze the fluctuations in the market situation.

III. Analysis of the firm's capabilities:

- a) analysis of the expected increase in the volume of foreign economic activity;
- b) analysis of the company's relocation to other markets;
- c) analysis of activities in the new environment and termination of activities in the old sphere.

IV. Analysis of fiscal policy:

- a) fiscal policy in the country and its impact on the firm;
- b) fiscal policy abroad and its impact on the firm.

V. The influence of trends in the world economy:

- a) analysis of the world market of loan capital;
- b) analysis of foreign trade policy of different countries.

VI. Development of a long-term strategy for foreign economic activity of the company:

- a) formulation of the global long-term goal of foreign economic activity;
- b) formulating options for achieving the goals of foreign economic activity;
- c) the decomposition of the global goal into recovery;

d) comparison of options for achieving the goals of foreign economic activity.[9]

Desire to get profit more than from domestic market, encourages firms to enter the international market. Despite the presence of uncertainty in the new environment (new competitors, unstable market conditions, currency fluctuations, political instability, etc.), the company seeks to increase its presence in the global market.

Sensing the shortcomings of the first, rather spontaneous and impulsive actions, the enterprise begins to apply strategic planning. Successful use of it enables the firm to achieve effective entrepreneurial activity in the foreign market.

The planning of the market strategy is carried out by the firm at three different levels:

The global level. Planning here is carried out in the most long-term aspect, important goals are defined for the enterprise, which are perceived as a single whole;

Strategic level. Planning is carried out at the management level enterprise and gives an idea of long- and medium-term development options;

Actual level. In this case, the planning focuses on identifying specific activities needed to address the efficient use of available resources in the implementation of global goals in the markets where the firm operates.

Planning of the company's strategy is aimed, first of all, to prevent the unfavorable influence of external factors. Its most important function is to predict the future. Defining the desirable and possible guidelines for its future activity in the world market, the firm reduces the possibility of unforeseen action of the main factors that operate on the world market.

The complexity of economic phenomena and processes in the world economy and the strengthening of the influence of external factors on the enterprise make strategic planning an indispensable condition for economic activity. In addition, the need for a balanced, effective policy and foreseeing the course of the firm's foreign economic activity increases with the increase in the number of markets where it operates.

A simple and clear definition of goals is an important prerequisite for a successful entry into foreign markets, as well as an accurate assessment of available resources. Very often the opportunities that appear in foreign markets are not coordinated either

with goals or with resources. The market can promise attractive profits in the short term, but have unsustainable prospects in the long term. Thus, it is very important to clearly define the goals in order to prevent the company from pulling into losing situations.[17]

After that, priority should be given to the comparison of needs and available resources. First of all, it is necessary that workers' enterprises are directly interested in participating in international activities. Only then will they be able to overcome the usual patterns of resource use "acquired" in previous years of management.

Random solutions can be successful, but only a constant and targeted planning will provide an opportunity to achieve optimum return on investment.

The behavior of management personnel in the conditions of foreign economic expansion of the enterprise can be submitted in the form of an EPRG scheme (ethnocentrism, polycentrism, regionocentrism, geocentrism).

Ethnocentrism. An ethnocentric enterprise views its international development as secondary with respect to "internal expansion", and the external market as an "absorber" of surplus products. The enterprise tends to centralize the main marketing decisions and tends to recreate in foreign markets the policies and procedures used first in the domestic market.

Polycentrism. The enterprise recognizes the importance of specific factors that affect its international operations, as well as the impact of this activity on capital turnover and profitability. For a full guarantee of the best consideration of these factors, a high degree of autonomy, even independence, is permissible in order for each country to develop its own policy. Thus, marketing is carried out on a territorial basis and the emphasis is not so much on the current or long-term similarity of markets as on the difference between them.

Regionocentrism and geocentrism. These two concepts mean a certain degree of maturity in the perception by the enterprise of its international activity. Regionocentrism considers the world as a set of markets that have some common characteristics. Geocentrism treats the world as a single market.[27]

These two approaches make it possible to implement a policy that combines the general market conditions with the specifics of its specific development. Some

decisions are made for the world market as a whole - a single brand of products, the general tonality of advertising, while other solutions concern regions (special assortment, sales networks, price policy, etc.). It is at these two stages that effective standardization of procedures can be determined and the developed planning strategy and behavior in selected segments of the world market applied.

Thus, the company's strategy planning is not a consequence of only complex market and management situations. It is determined, first of all, by the firm's interest in foreign economic activity.

Thus, the company's strategy planning is not a consequence of only complex market and management situations. It is determined, first of all, by the firm's interest in foreign economic activity.[38]

Planning for a market strategy also depends on the level of internationalization of the enterprise. The novice company, first of all, seeks to choose the most appropriate product for the market and set the optimal price. Experienced the same enterprise mainly takes care of the decision on the external market of the problems of the balance of the resources used, the launch or discontinuation of production, distribution in the markets of their products or exit from them.

The strategic planning process is a closed system, the functioning of which is related to the fulfillment of two conditions: observation and ensuring flexibility. Systematic observation makes it possible to measure the results and detect a deviation in a timely manner; flexibility allows for appropriate adjustments. Therefore, an enterprise must strive to fulfill both these conditions.

The general strategic plan of the company is formed on the basis of its strategic marketing program by increasing its financial, economic, technical and organizational components.

The market situation is constantly changing, so there is always a need to adjust the strategic plan, that is, the firm should always have a strategic marketing program for the next three to five years.

The structure of the strategic marketing program consists of three interdependent blocks: the firm's objectives of the development strategy of the company's business portfolio and the company's growth strategy.

Objectives of the company.

Regardless of the deadline for obtaining the result, short-term objectives are distinguished (the result can be expected in the near future), medium-term and long-term (the result can be expected in the future in five or more years). The strategic marketing program of the company focuses mainly on medium and long-term goals.

The company can have many goals, so it is necessary to rank them, that is, to highlight the main goal and goals that are determined by it. To achieve the main goal, the objectives of the second level are defined, to achieve them - the objectives of the third level; there may also be intermediate goals, subgoals.

In modern conditions of demonopolization of foreign economic activity, the enterprise is the main link of the country's foreign economic complex. In accordance with the current legislation, an enterprise is an independent economic entity created in a certain order to produce products, perform works and provide services in order to meet social needs and generate profit. According to the current legislation, the enterprise has the right to independently determine the forms, methods and volumes of work in the external market.[33]

For effective management of foreign economic activity at the enterprise level, a management structure adequate to its working conditions is necessary. The organizational structure of management of foreign economic activity of the enterprise is determined, first of all, by the goals and tasks that it is called upon to solve.

The greatest experience in managing foreign economic activity has been accumulated in specialized foreign trade organizations (hereinafter FTO).

Functional departments and services that support the work of specialized firms and FTO can be divided into three groups:

1. Group of departments and services engaged in planning:
planning and economic department - planning foreign trade activities and monitoring the implementation of the plan, analysis of economic activities of the FTO;

monetary and financial department - currency planning and control over banking currency, credit and settlement operations, compliance with FTO interests in foreign trade transactions;

transport department - planning and providing transportation of export and import cargo;

FTO accounting - accounting and reporting, settlements with banks, suppliers and outside organizations, calculation and payment of wages, analysis (together with the planning department) of the financial performance of the merger and recommendations for its improvement.[61]

2. Group of departments dealing directly with marketing:

department of conjuncture and prices - research of demand, supply, price dynamics, market structure, systematization of conjuncture materials, coordination of firms with general foreign agents, methodological guidance and control of correctness of calculations and application of prices by firms in the preparation and conclusion of contracts, other work on market research;

the department of advertising and exhibitions provides FTO advertising activities, organizes the participation of specialized companies in international exhibitions and fairs;

engineering and technical department - studying the technical requirements for goods in the world market and informing about direct producers of goods about them, analyzing the technical level and quality of products, its competitiveness, relevant conclusions and recommendations to specialized firms on these issues;

the department of joint ventures is the coordination, planning and control of the activities of joint ventures established with the participation of foreign capital on the territory of Ukraine and mixed companies established with the participation of the association abroad, the creation of new mixed companies abroad and their liquidation;

department of technical service and spare parts - organization of guarantee and post-warranty maintenance of goods exported by the association in foreign countries, provides technical centers and foreign agents with necessary spare parts, repair equipment and transport.[48]

3. Group of departments ensuring the adoption and implementation of management decisions:

department of development - improving the organizational structure of the association;

industrial control system department - automation of calculations, introduction of economic and mathematical methods and computers into the practice of the association and firms, the creation of databases and maintenance of databases together with other departments and firms;

personnel department - issues of selection and placement of personnel, maintenance of personal files of employees;

foreign travel department - registration of business trips abroad;

chancellery - registration and control of organizational and administrative documentation and correspondence;

administrative and economic department - supply with materials and equipment necessary for the operation of the association, responsibility for the operation of the building, other economic work;

the legal department - assistance in drafting the terms of contracts and agreements, consulting firms on claims and complaints, disagreements, protecting the interests of the FTO in courts and arbitrations, legal support for FTO activities;

the protocol department - executes instructions of the FTO management and firms for meetings, reception and wires of representatives of foreign firms who arrived with business purposes.[18]

Sometimes, the legal and protocol departments, as well as the accounting and personnel departments, report directly to the director of the FTO, performing in general the same functions.

The creation of such a branch of management structure for foreign economic activity is typical for enterprises (organizations), regardless of their organizational and legal form, when their activities are entirely focused on foreign markets. However, the number of such enterprises, naturally, is less than the number of enterprises engaged in production. At the industrial enterprises actively participating in foreign trade activities,

the foreign trade apparatus exists basically in two forms: as a part of an intra-production structure in the form of external economic department and as a relatively independent subdivision in the form of a foreign trade company.

There is also exist intermediary foreign trade operations.

Trade and intermediary operations are understood as operations related to the purchase and sale of goods that are carried out by proxy of the exporting producer by an independent intermediary on the basis of an agreement or instruction.

Intermediary is a fairly broad concept that covers a wide range of services: the resale of goods; search for a foreign counterparty; preparation and conclusion of the transaction; crediting of the parties; realization of transport-forwarding operations; insurance operations; carrying out of advertising actions; maintenance.

Trade and intermediary firms include firms that, legally and economically, do not depend on the producer or consumer of the product (here, of course, do not include branches or subsidiaries of industrial companies). They act for profit, which is created either as a difference between the prices at which they buy and sell goods, or as a reward for services.[53]

As a rule, trade and intermediary firms are engaged only in commercial activities, although the largest of them can also process the purchased goods. The use of trading firms gives certain advantages.

1. In this case, the exporter company does not invest any significant funds in the organization of the sales network in the territory of the importing country, as the trade and intermediary firms have their own material and technical base (warehouses, demonstration halls, repair shops, retail stores).

2. They release the exporter from many troubles associated with the sale of goods (delivery, sorting, packaging), adapting to the requirements of the market.

3. It is essential to use the capital of trade and intermediary firms on the basis of short- and medium-term loans. There is a big importance is the stable relationship of trade and intermediary firms with banks, insurance companies.

4. Finally, the markets for some goods are wholly monopolized by trade intermediaries (for example, brokers in England) and not available for direct contact with consumers.

The disadvantage of using intermediaries is that the exporter is deprived of direct contacts with the sales markets and entirely depends on the honesty of the intermediary.

Trade-intermediary operations can be divided into four types:

for resale;

commission;

agency;

brokerage.

Consequently, international trade practice has developed a fairly clear mechanism for the organization of export-import transactions, which are carried out either directly by producer firms or trade intermediaries. This makes it possible to rationally use the appropriate methods, professionally conduct foreign trade activities. Such a wide range of foreign trade opportunities allows subject of foreign economic activity to perform in most suitable way and the highest benefits from the foreign trade operations.[44]

1.3. The methodic approaches to evaluating export activity efficiency.

Particular significance in the assessment of the efficiency of foreign economic activity of the enterprise in modern conditions, when economic independence must certainly lead to increase responsibility and soundness of managerial decisions.

According to the general theoretical approaches to determining, the efficiency of the broadest category is social efficiency. The economic efficiency of the country's economic complex, the efficiency of social production, and the efficiency of the enterprise's operations are its components. At the same time, economic efficiency can be considered in different aspects: according to the elements of the reproduction process (efficiency of production, circulation, consumption); in accordance with the factors of

the production process (efficiency of the use of fixed assets, working capital, labor force, etc.); on a territorial basis, etc. The efficiency of foreign economic activity is also considered as a component of social efficiency.

Efficiency of foreign economic activity as a set of different forms of economic relations of a certain country with foreign partners is estimated by three directions: a) by the level of government - at the level of the state, a separate region, a concrete enterprise, its units; b) by types of activities - foreign trade, scientific and technical cooperation, currency-finance, investment activity, joint venture, etc.; c) at a time interval - short, medium, and long-term.[12]

In accordance with the mentioned membership, the final result of foreign economic activity is determined according to the following aspects of the analysis:

- institutional analysis, which provides an assessment of the political, legal, organizational conditions for the implementation of foreign economic activity;
- Commercial analysis (market analysis), which provides an evaluation of the current market situation (first of all, demand and prices) and an assessment of the probable changes in the market conditions;
- Technical analysis, which involves studying a set of techniques that allow you to carry out a certain foreign-economic operation or implement a project and find out the level of excellence of technical support;
- financial analysis, which is carried out in order to justify the efficiency of foreign economic activity based on the interests of the owner;
- Economic analysis, which is carried out by comparing costs and results, and is aimed at determining the benefit to be received by the subject of foreign economic activity, the state and society as a whole, in the case of the implementation of a certain type of foreign economic activity; the task of such analysis also includes the definition of the risk with which this activity will be related;
- social analysis, which provides an assessment of the social consequences of the impact of foreign economic activity;

- Ecological analysis, the results of which conclude about impact of certain foreign economic operations and projects on the environment and government policy about this.

Nowadays, the increase of economic efficiency of foreign economic activity of the country is achieved not by single direction in the field of international cooperation, but in their complex. At the national level, the foreign trade effect, the scientific and technical effect, the effect of specialization and co-operation, the result of overcoming the shortage of resources, preservation of resources for the future, improving the image of the country at the international level, etc., is subject to evaluate.[22]

The macroeconomic level determines the social and economic efficiency of foreign economic activity. Social efficiency is manifested as the effect of foreign economic operations on the standard of living of the population, satisfaction of consumer demand, improvement of the structure of the market of goods and services. Economic efficiency is manifested in the fact that the needs of the national economy are satisfied by the purchase of goods abroad, while the currency revenue necessary for the import is provided by exporting domestic manufacturers.

When exporting goods, the company sells goods abroad for a profit. In this case, the company incurs the following costs:

- the cost of the exported goods;
- transportation expenses;
- organizational expenses.

Under the cost of goods refers to the cost of production of goods by the company. Transportation costs include the costs of transporting goods that are paid by the exporting enterprise. These costs depend on the contract price (CIF, FOB, etc.). When exporting usually using the price of FOB of the item Organizational expenses are the expenses of an enterprise to conclude a contract, customs duties and fees for the transportation of goods across the customs border, etc.

Thus, export costs are equal to the sum of the cost of goods, transportation costs and organizational costs.

The export income of an enterprise from the export of goods is the currency earnings that go to the company's current account. In most cases, export earnings should be presented in Ukrainian national currency equivalent. Recalculation in uah can be carried out either at the rate of the National Bank of Ukraine on the day of receipt of foreign exchange earnings or on the day the contract is concluded (this depends on the terms of the contract), or at the rate of sale of foreign currency on the central stock exchanges of Ukraine.[37]

In order for the export of goods to be effective, it is necessary that export earnings exceed export costs. However, this condition is not sufficient. The export of goods is appropriate if the export profit exceeds the internal profit of the enterprise from the sale of goods within the country. Export earnings are equal to export earnings minus export costs, and domestic profits are domestic revenues minus cost of goods. At the same time, domestic income the UAH revenue from the sale of goods intended for export in Ukraine.

If the company intends to continue to conduct operations with foreign currency, for example, import or investment operations, then it is very important for it whether it makes sense to sell the currency obtained during export and use the received hryvnia funds to invest them in the bank at interest, putting them into circulation, investing, etc. An alternative to selling a currency can be placing a currency on a currency account in a bank.

During the operations of importing goods, the company is trying to purchase goods abroad with a view to their further use in their country. In this regard, the purpose of the goods is of great importance. An enterprise can purchase goods for their subsequent sale on the territory of Ukraine. We classify such goods as consumer goods (CG). An enterprise can also purchase goods for use in its own production cycle (equipment, raw materials, etc.). We classify such goods as manufactured goods (MG).

In the case of imports of consumer goods, the company incurs the following costs:

- cost of goods;
- transportation expenses;

- organizational expenses.

The cost of the goods is the contract price of the imported goods. Transport and organizational costs are similar to export and organizational costs.

Import costs equal to the sum of the cost of goods, transport and organizational costs.

Import income is the UAH revenue for imported goods.

Both in the case of exports and in the case of imports of goods is beneficial if the import income exceeds import costs. However, this condition is also not sufficient. It is necessary to find out whether the purchase of goods abroad is advantageous or whether it is more profitable to purchase them domestically. If import return exceed domestic profits, then importing goods is profitable. Import profit is the difference between import income and import costs. Internal profit, respectively, the difference between internal income and the intrinsic value of the goods. Since the prices of imported and domestic similar goods are assumed to be the same, the import income is equal to domestic income, and the internal cost is the wholesale price for the goods in the country.[61]

When importing goods production situation becomes more complicated. In this case, you must take into account the income received by the company from the use of imported goods, as well as the costs associated with the use of this product. Thus, the income from the production goods is equal to the uah revenue from the sale of goods produced using the MG (without the cost of sales). The cost of production goods is the sum of the cost of raw materials and energy, the cost of maintenance and labor. In the event that the goods are not equipment, but raw materials or spare parts, it is necessary to take as a cost and income from the production goods the shares attributable to it from the total costs and income from the production of goods using imported MG.

Income from the production goods is added to import income, and the cost of the goods of production - to import costs. Further calculations are similar to calculations when importing goods of consumption.

Both in the case of exports and in the case of imports, the costs of storing the goods, their further distribution throughout the country, sales, etc., are not taken into

account. If necessary, they could be taken into account in export costs and import costs, respectively. At the same time, these expenses must be taken into account in internal costs, i.e., in the cost of goods during export and its domestic value at import.[55]

Based on these theoretical positions, the efficiency ratios of exports and imports of goods have been developed, which are given below.

Coefficients of export efficiency

Exporting goods is effective if export earnings exceed export costs. This reflects the basic export efficiency ratio:

$$(1.1) \quad EER = \frac{Er}{Gc+Tc+Oe}$$

where EER is the basic export efficiency ratio;

Er - export revenue;

Gc - the cost of goods;

Tc - transportation costs;

Oe - organizational expenses.

If the $EER > 1$, export operation is efficient. The higher this ratio, the higher the efficiency of export.

As it was said, to determine the efficiency of export, calculating only the base export efficiency factor is not enough. It is necessary to find out whether the export of goods is a more profitable operation than the sale of this product inside the country. An alternative export efficiency ratio is used for this:

$$(1.2) \quad EERa = \frac{Er - Gc - Tc - Oe}{Rd - Gc}$$

where EERa is an alternative export efficiency ratio;

Rd - domestic revenue (revenue from the sale of goods within the country);

Er - export revenue;

Gc - the cost of goods;

Tc - transportation costs;

Oe - organizational expenses.

If the $EERa > 1$, export operation is efficient.

To determine export efficiency, it is necessary to calculate the coefficients EER and EERa. It should be bear in mind that all revenues and expenses should be presented in uah equivalent. In case both of them are larger than one, the export of goods is effective. If $EER < 1$, and $ERRa > 1$, then in this case export is inefficient, as export costs exceed export earnings. If $EER > 1$, and $EERa < 1$, then in this case export is also inefficient, because the profit from the sale of goods within the country will be higher than from its export. If both of these factors are less than one, then the export of goods is inefficient for the reasons given above.

Coefficients of import efficiency

As noted above, when considering the efficiency of imports, the purpose of the imported goods is important. In the beginning, we consider the efficiency factors for the import of consumer goods (CG).

In order for the import of a commodity to be profitable, it is necessary that the import income exceeds import costs. This reflects the basic efficiency ratio of imports of consumer goods:

$$(1.3) \quad EICG = \frac{Rd}{Vig + Tc + Oc}$$

where EICG - the basic coefficient of efficiency of import of consumer goods;

Rd - domestic revenue from the sale of imported goods;

Vig - the value of the imported goods;

Tc - transportation costs;

Oc - organizational costs.

If $EICG > 1$, the import of goods is effective.

As in the case of the export of goods to determine the efficiency of imports, it is also necessary to calculate an alternative coefficient of efficiency of imports of consumer goods:

$$(1.4) \quad \text{ERICGa} = \frac{Rd - Vig - Tc - Oc}{Rd - Dg}$$

where ERICGa is an alternative efficiency ratio for the import of consumer goods,

Dg - the cost of domestic goods, similar to imported;

Rd - domestic revenue from the sale of imported goods;

Vig - the value of the imported goods;

Tc - transportation costs;

Oc - organizational costs.

If the $\text{ERICGa} > 1$, import operation is efficient.

The method of determining the efficiency of import of goods of consumption is similar to the method of determining the efficiency of exports.

We now turn to the consideration of the efficiency of imports of goods of production.

When importing production goods, it is necessary to take into account the cost of their maintenance and use in the production of the enterprise importing these goods.

The basic efficiency ratio of imports of goods of production will be as follows:

$$(1.5) \quad \text{ERIPGb} = \frac{RUPG}{Vig + Tc + Oc + CUPG}$$

where ERIPGb - the basic efficiency ratio of imports of goods of production;

RUPG - revenue from the use of goods of production;

CUPG - the cost of the use of goods production;

Vig - the value of the imported goods;

Tc - transportation costs;

Oc - organizational costs.

If $ERIPG_b > 1$, import operation is efficient.

It is also necessary to calculate the alternative coefficient of efficiency of imports of goods of production:

$$ERIPG_a = \frac{RUPG - Vig - Tc - Oc - CUPG}{RUPG - Dg - CUPG} \quad (1.6)$$

where $ERIPG_a$ is an alternative efficiency ratio for the import of goods produced;

RUPG - revenue from the use of goods of production;

CUPG - the cost of the use of goods production;

Vig - the value of the imported goods;

Tc - transportation costs;

Oc - organizational costs;

Dg - the cost of domestic goods, similar to imported;

Rd - domestic revenue from the sale of imported goods.

If $ERIPG_a > 1$, import operation is efficient.

The methodology for analyzing the efficiency of import of goods of production is similar to the method for analyzing the efficiency of importing consumer goods.

CONCLUSION TO THE PART 1

Any company entering the world market can independently carry out foreign trade activities, thus forming its own foreign trade firms that can be created on the general balance of the enterprise or on an independent balance sheet with the right of a legal entity. On the other hand, the company may resort to the services of intermediary organizations, in case of a small volume of output.

The criterion for choosing the method of entering the world market is minimization of the costs of foreign economic activity. In addition, the company needs to have information on monetary and legal aspects of entering the world market, world market conditions, price system and determine the efficiency of export and import operations.

Foreign economic activity is carried out on the basis of a contract. Ukrainian legislation prescribes a mandatory written form of a foreign economic contract. A deal can be concluded either by drafting and signing a single document, or by exchanging letters, telegrams.

The main forms of foreign economic activity of enterprises is foreign trade and international cooperation in production. Foreign trade activity is the exchange of goods and services related to the implementation of trade. The basis of foreign trade activities are foreign trade operations. International production cooperation is coordinated or joint, usually long-term production and economic, and, as a rule, scientific and technical activities of partners from different countries, based on the division of production and sales programs, equal and mutually beneficial cooperation.[72]

Consequently, foreign economic activity is a combination of methods and means of trade and economic, scientific and technical cooperation, monetary and credit relations with foreign countries.

The most important part of foreign economic activity is foreign trade, which is defined as business activity in the field of international exchange of goods, works, services, information and results, and intellectual activity.

A variety of types and forms of foreign economic activity of enterprises should contribute to improving the efficiency of external relations of the state as a whole. This will allow solving such tasks as increasing foreign exchange resources and trade volumes, improving the structure of exports and imports, paying off foreign debts, expanding areas of cooperation, attracting capital and technology to the country.

The foreign trade transaction is executed by a foreign trade contract. A foreign trade contract is an agreement for the sale of, delivery of, carrying out any works, services, concluded by two or more parties. The contract is the main, basic documents, defining a measure of the liability of the parties for the fulfillment of obligations, therefore the final result of the transaction depends on the correctness of its preparation.[53]

The terms of payment include the determination of the currency of payment, the method and procedure for settlements for the goods delivered, the list of documents submitted for payment, and protective measures against unreasonable delay of payment or other violations of the payment terms of the contract. The terms of payment establish at what stage of the movement of the goods it is paid for and whether it will be made in a lump sum or in several installments. There are several methods of payment used in the practice of international trade: payment in cash, payment on credit, and their combination.

In addition, in the world practice there was a large variety of forms of payment, therefore, each subject of foreign economic activity must choose for itself one or another form of calculation, as well as the method of its implementation based on its interests and capabilities.

State regulation of foreign economic activity is one of the most important and most difficult tasks of the state. A well thought out and properly organized policy in the field of foreign trade is the most important factor in the successful development of the economy of any country.

PART 2. GENERAL ANALYSIS OF THE MANAGEMENT SYSTEM OF EXPORT ACTIVITY OF LLC “AEROS”.

2.1. The analysis of financial and economic indicators of LLC “Aeros”.

Financial and economic condition - one of the most important characteristics of the enterprise. It depends on the results of the industrial, commercial, financial, and economic activities of the enterprise.

Profit is an increase in property, a loss - its reduction. Property and money are not the same, they are only measured by monetary units. In the reporting period, the profit is practically never equal to the amount of balances on cash accounts. Profit is an increase in property, not cash balances. You can get significant profit (positive financial result), but in time not receive payment from buyers, and, consequently, not be able to pay even those obligations that appear as a result of the costs associated with the expected and already reflected income. The amount of salary that is considered as an expense when it is considered earned. Consequently, this amount will necessarily affect the formation of the financial result, and, therefore, can't be taken into account when compiling the balance sheet and the statement of financial results. However, the amount not yet paid to employees can't reduce the balance of cash.[31]

The arguments above indicate that it is impossible to assess the success of an enterprise only on the basis of an analysis of its financial results. In addition, a general analysis of the financial and economic situation of the enterprise should be carried out, on the basis of which one can find out the real picture not only of the level of profitability of the enterprise, but also its ability to repay loans in a timely manner, to settle with suppliers, etc.

Currently, Aeros LLC. exports its products to 43 countries of the world, besides CIS countries.

LLC "Aeros" (03061, Ukraine, Kiev, Post-Volynsky St., 5) is a manufacturer of ultralight aircraft and related products.[4]

According to classifier of economic activities - manufacture of air and spacecraft, associated equipment.

According to the balance of activity of the enterprise (Annex A)

1. During the investigated period, the total assets increased almost in 1.5 times (from 328880 thousands UAH to 432221 thousands UAH). This increase was mainly due to a significant increase in current assets, while amount of non-current assets slightly declined. The absolute value of the increase in current assets during the five years of studying period is 111018 thousands UAH. Also during this period, the amount of investment property of the enterprise increased almost in two times (in absolute measure – 13497 thousands of hryvnias). This was due to the purchase of premises for leasehold. Significant part of this increase is because of the fall of the national currency. As the company operates for export, has fixed prices in foreign currency (euros), and buys raw materials and components from abroad, the value of assets in the national currency has significantly increased [20].

2. There are no data about volumes of finished products. This indicates that the company is working on a pre-order, and more often even on pre-payment basis. At the same time, the amount receivables for goods and services increased - in absolute measure, by 24826 thousand UAH. (or almost in 9 times). This means that the company actually expend the lending to its business partners or they do not settled the account for the goods and services during the. But on the other hand, the company could expect to receive funds in subsequent periods [12].

3. Analyzing the liabilities of the company, it should be noted that in general liabilities have increased, including long-term liabilities increased by 460490 thousands UAH, which is actually in 3.5 times. This was due to an increase in other long-term liabilities (by 449103 thousands UAH or in 3.4 times). This means, that the enterprise has increased its debts in the areas of employee benefits upon termination of employment, other long-term employee benefits, security, arrears to subsidiaries and parent companies, etc. However, significantly (more than 5 times) increased other

current liabilities received from other enterprises due to subsequent deliveries of products. In total, the volume of corporate liabilities for the five studied years increased by 103341 thousands UAH. This trend can also be explained by significant currency fluctuations [9].

According to the company's financial position statement (Annex B) and the analysis of the financial and business activities of the enterprise (Annex C), the data show that the enterprise has significant reserves for increasing net profit. This is evident from the fact that the net income (sales) from sales of the company during the investigated period increased in almost two times, while net profit of the enterprise increased by 11989 thousands of hryvnias but still shown as negative value. The main reason for this is the growth of the net cost of sold products at the end of the studying period, compared to the beginning of the period, by 1.5 times, as well as the decrease of operating expenses and increase of other operating income, does not change the situation.

So, the net income, increased by 63%. The financial result (profit) from operating activities increased in 21 times, mainly because of the growth of gross profit (by 75957 thousands of hryvnias) .In general, the company's profit increased by 11989 thousands UAH for five year period, but compare of the previous year it decreased by 53485 thousands UAH and became a negative value. The profit from sales of products had a negative impact on the growth of the cost of production (because of an increase in the cost of foreign components and raw materials for the production of finished products).

The table (Annex D) shows that over the studied period, the amount of assets increased by 35%. During this period, the amount of fixed remains almost the same. However, the share of fixed assets in the structure of property decreased by 22%. A decrease in the amount of fixed assets indicates a reduction of the investment activity of the enterprise. This state of affairs suggests that the investigated enterprise has some trouble with its production potential. Especially considering the currency fluctuations [16].

The share of inventories in the assets of enterprises increased by 10 over the five years of studying. An increase in the share of inventories in the assets of the company

from 12.3% to 22.8% may indicate an expansion of the company's activity or the desire to protect the money from the depreciation due to inflation.

Also, the share of current assets increased from 18.7% to 40%, which may indicate a more relocatable structure of assets, which contributes to improve the turnover of enterprises.

According to the analysis of volumes and structure of the enterprise capital (Annex E):

The amount of retained earnings, which is actually uncovered losses, even more decreased during the studying period, from -52376 to -414929 thousand UAH at the end of the period. The amount of uncovered loss is almost the same as a whole amount of liabilities. However, at least company fully uses all of possible resources and even more, which is means that none of company's financial assets left unused. [53]

The amount of accounts payable decreases up to 0 during the five years of studying period from 18535 thousands of UAH. This means that enterprise manage to cover all of its debts to creditors. It is a quite significant achievement considering that general economic situation in the country remains in poor condition.

Table 2.1

Dynamics of liquidity indicators of LLC "Aeros" during 2013-2017

Indicators	At 31.12.2013	At 31.12.2014		At 31.12.2015		At 31.12.2016		At 31.12.2017	
	Actual	Actual	Absolute deviation relative to 2013	Actual	Absolute deviation relative to 2014	Actual	Absolute deviation relative to 2015	Actual	Absolute deviation relative to 2016
Working capital ratio	0,453	0,297	-0,156	0,407	0,110	0,722	0,315	1,370	0,647
Quick ratio	0,155	0,177	0,022	0,200	0,023	0,361	0,161	0,588	0,227
Cash ratio	0,013	0,068	0,055	0,060	-0,008	0,194	0,134	0,246	0,051
Net working capital, M, UAH.	-22,67	-155698	-155675	-136804	18894	-43319	93485	46622	89941

Made by author on the base of company's financial statement.

Working capital ratio increased from 0.297 in 2014 to 0.407 in 2015, 0.722 in 2016, and in 2017 it was already 1.370. Normative value of this indicator is 1, and preferably 2-3. Indicator below normative indicates the problem of solvency, because

current assets are not enough to respond to current liabilities. This leads to lower credibility of the company by lenders, suppliers, investors and partners. But in 2017 this indicator is more than 1, so the amount of current assets is enough to cover all of the current liabilities, but still less than preferable amount.[64]

The quick ratio indicator is steadily increasing, especially in 2016 and 2017. So in 2014 it amounted to 0,177, in 2015, 0,2, in 2016, 0,361, and in 2017 already 0,588. The optimal value of the indicator depends on the sphere of activity and features of the firm. The norm of the indicator is within the range of 0.5-1 and above. This value indicates that the company has fairly liquid working capital for timely settlement of liabilities. However, in order to formulate precise conclusions, it is necessary to compare the figure with previous years and other companies in the industry. In this case, the situation is improving, this figure is higher than its competitors in this area and within the range of normal value according to 2017 [15].

Cash ratio indicator show which amount of current liabilities could be instantly covered by enterprise. In this case indicator has been changed from 0.068 to 0.246 over the studying period. Normal amount of this indicator is 0,1-0.2. Only in 2014, 2015 this indicator was below preferable sum, which means that company couldn't cover it's debts if they would be charged instantly. In 2016 this indicator was within the required amount, while in 2017 it exceed the limits of preferable amount. It also means some problems within the company's organizational structure. The amount of money that isn't used in company's production activity can't generate any profit. So, to high amount of cash tend to increase the general amount of insufficient assets. That is means that management of financial assets is inefficient. [1]

The amount of net working capital was below 0 from 2014 till 2016, which is mean that enterprise couldn't cover all it's current liabilities in time, which could tend to bankruptcy. However, in 2017, the amount of net working capital exceed 0, so now company is able to cover all of its current liabilities in time.

According to the analysis, the company has unstable financial position. Normal amount of equity ratio is more than 0,5, which means that company able to cover all of its borrowed funds by selling own assets. Through all studying period, company had

unfavorable situation by all indicators of equity ratio, that is because amount of owner's equity is far below 0. According to the results of the research, displayed in the table 2.2, enterprise is violate the financing rules and tend to default.

Table 2.2

Dynamics of solvency indicators at LLC "Aeros" during 2013-2017

Indicators	At 31.12.2013	At 31.12.2014		At 31.12.2015		At 31.12.2016		At 31.12.2017	
	Actual	Actual	Absolute deviation relative to 2013	Actual	Absolute deviation relative to 2014	Actual	Absolute deviation relative to 2015	Actual	Absolute deviation relative to 2016
Equity ratio	0,004	-0,794	-0,798	-0,999	-0,205	-0,910	0,089	-0,800	0,110
Self-financing ratio	99,932	-0,901	-100,833	-0,640	0,261	-0,467	0,173	-0,365	0,102
Ratio of working capital	-4,305	-7,448	-3,142	-6,680	0,767	-5,228	1,453	-3,503	1,725
Current assets to equity ratio	-54,673	0,634	55,307	0,380	-0,254	0,130	-0,250	-0,135	-0,265

Made by author on the base of company's financial statement.

Business activity of enterprise, in financial way, first of all displayed by speed of capital turnover. Importance of turnover indicators are define by their vital role in company's level of profit.[67]

Table 2.3

Dynamics of indicators of business activity of LLC "Aeros" during 2014-2017

Indicators	2013	2014		2015		2016		2017	
	Actual	Actual	Absolute deviation relative to 2013	Actual	Absolute deviation relative to 2014	Actual	Absolute deviation relative to 2015	Actual	Absolute deviation relative to 2016
Asset turnover ratio	0,677	0,475	-0,202	0,651	0,176	0,943	0,292	0,905	-0,038
Turnover rate of accounts payable	1,365	0,594	-0,771	0,561	-0,033	1,101	0,541	1,767	0,665
Turnover rate of accounts receivable	11,502	6,972	-4,53	7,756	0,784	11,815	4,059	10,458	-1,357
Turnover rate of material stocks	4,583	3,163	-1,421	3,407	0,244	4,086	0,679	3,217	-0,870
Turnover rate of fixed assets	0,677	0,475	-0,202	0,651	0,176	0,943	0,292	0,905	-0,038
Return on equity	-1,823	-1,241	0,582	-0,720	0,521	-0,989	-0,268	-1,064	-0,076

ratio									
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Made by author on the base of company's financial statement.

In table 2.3 we could see that assets turnover ratio constantly increases during 2014-2016, while in 2017 we could see that its slightly decrease (from 0.943 to 0.905). It is important to mention that this ratio is one of the most important indicators of assets usage efficiency and display rapidness of assets transfer from inventories into a final product, and from final product into cash. According to this we can say that this dynamic, display the increase of assets usage efficiency. It is hard to make a single conclusion about influence of receivables on financial situation of enterprise. On the one side debtors, hold the company's financial resources and it could force the company to increase amount of credit funds. On the other hand, possibility to take goods now, and pay for them later, give a huge boost on the demand on the company's final product. In some industries, it is very important to pay for the goods after their disposal. [57]

Profitability is a relative indicator of economic efficiency. Profitability comprehensively reflects not only the degree of efficiency in the use of material, labor and financial resources, but also the use of natural wealth. The profitability ratio is calculated as the ratio of profit to assets, resources or flows that form it. It can be expressed both in the profit per unit of invested funds and in the profit that each received monetary unit carries.

There is many profitability ratios. The profitability ratios are calculated based on the data of the income statement and the balance sheet of the company. As a rule, all these indicators reflect the ratio of the company's net or operating profit to one or another parameter of its activities (turnover, assets, equity).[17]

From the table 2.4 we could see that return on assets on LLC "Aeros" during 2014-2016 constantly increases, and in 2016 even exceed 0 point. But in 2017 it slightly decreases and stay at the -7 amount. It is much better than in 2014-2015 but still company get only losses per each single value of its assets.

Table 2.4

Dynamics of profitability indicators of LLC "Aeros" during 2014-2017

Indicators	2013	2014		2015		2016		2017	
	Actual	Actual	Absolute deviation relative to 2013	Actual	Absolute deviation relative to 2014	Actual	Absolute deviation relative to 2015	Actual	Absolute deviation relative to 2016
Return on assets ratio	-12,65	-76,43	-63,78	-40,57	35,86	6,88	47,45	-7,1	-13,98
Return on equity ratio	-33,05	-199,73	-166,68	-44,85	154,87	-7,21	37,65	-8,35	-1,13
Rate of return on business	-21,69	-229,69	-208	-107,24	122,45	11,77	119,01	-11,39	-23,15

Made by author on the base of company's financial statement.

Return on assets (ROA) is a financial ratio that characterizes the return on the use of all assets of an organization. The ratio shows the organization's ability to generate profits without taking into account its capital structure (financial leverage), the quality of asset management. In contrast to the indicator "return on equity", this indicator takes into account all the assets of the organization, and not only its own funds. Therefore, it is less interesting for investors.

Return on equity (ROE) is an indicator of net profit in comparison with own capital of an organization. This is the most important financial indicator of return for any investor, business owner, which shows how effectively the capital invested in the business was used. In contrast to the similar indicator "return on assets", this indicator describes the efficiency of using not the entire capital (or assets) of an organization, but only that part of it that belongs to the owners of the enterprise.

Return on equity ratio is below 0 during all studying period, but actually situation changed from -199.7 in 2014 to -8.7 in 2017, but still company has only losses during all its activity period.

Return on business is a relative indicator of economic efficiency. In other words, this term explains the effectiveness of the use of property assets by the company. The calculation of the indicator gives a detailed idea of the total profit for each UAH spent.

Return on business rate improved from far below level in 2014 (-229.69), to 11.765 in 2016 in remain almost the same in 2017 (11.386). It is displays a bit of improvement of situation on enterprise.[73]

Therefore, the majority of financial indicators of enterprise is on quite low level, or even below 0 point. It displays unfavorable situation in the company with small improvement of some of the profitability indicators in LLC “Aeros”.

2.2. The analysis of management system of export activity of LLC “Aeros”.

In the current economic conditions for domestic enterprises, the most important task is to improve the management systems. At the same time, the focus is on the world practice of strategic management, while at the same time striving for its adaptation to Ukrainian tasks. The theoretical development of the mechanism of effective management of the enterprise as a whole and foreign economic activity in particular is necessary due to the increasing influence of environmental factors. The practice of studying the activities of domestic enterprises shows that the system of management of foreign economic activity is fragmented. Lack of integrated scientific developments in the field of management of foreign economic activity, covering all stages of the process of foreign economic operations, leads to a decrease in the efficiency of the enterprise.[65]

Access to the external market of independent economic entities should facilitate the adaptation of the economy to the system of world economic relations, the formation of an open-ended economy. The desire to more profit than on domestic market encourages companies to enter the international market. According to the current legislation, the enterprise has the right to independently determine the forms, methods and volumes of labor in the foreign market.

For an effective management of foreign economic activity at the enterprise level such as LLC “Aeros”, a management structure that is adequate to the conditions of its work is required. Distinguish:

- organizational and production structure;
- management structure;
- organizational structure of the enterprise.

LLC “Aeros” has a management system and a managed system. The first one includes organs, services, control apparatus. The second production units (shops, sections, departments).

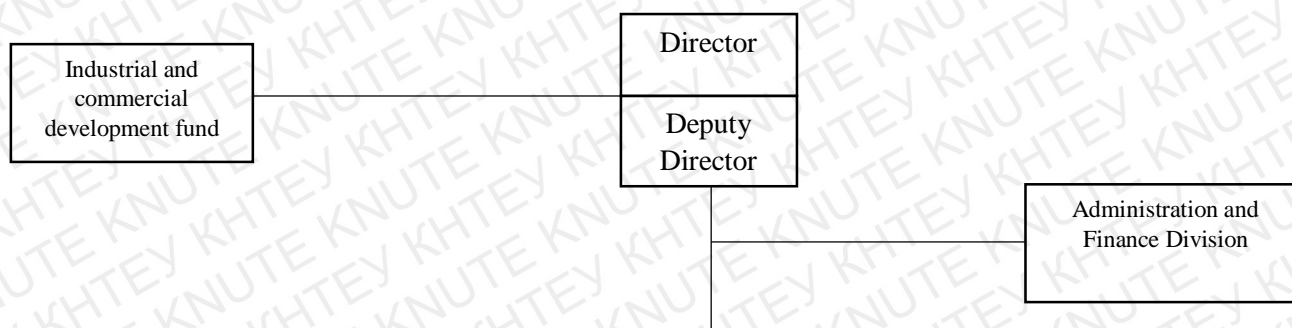
Organizational-production structure reflects the construction of the system under management, the management structure - the system that manages, and the organizational structure of the enterprise - the construction and interconnection of both systems.

The organizational structure of FEA management is determined by the purpose and tasks that it is called to solve. The goal is to maximize profits in the long time perspective due to effective participation in international business. The organizational structure of the management of foreign economic activity, as well as the internal-corporate management, must constantly develop and improve, adapt to changes in the external environment and management. These forms and methods can't remain unchanged.

LLC “Aeros” produce and export following types of products: hang-gliders, nano-trikes and trikes.[4]

For effective management of foreign economic activity at the enterprise level, we companies an adequate management structure for their working conditions. The organizational structure of the management of foreign economic activity of an enterprise is determined, first of all, by the goals and objectives that it is intended to solve.

The greatest experience in managing foreign trade activities has been accumulated in specialized foreign trade organizations (hereinafter FTO).



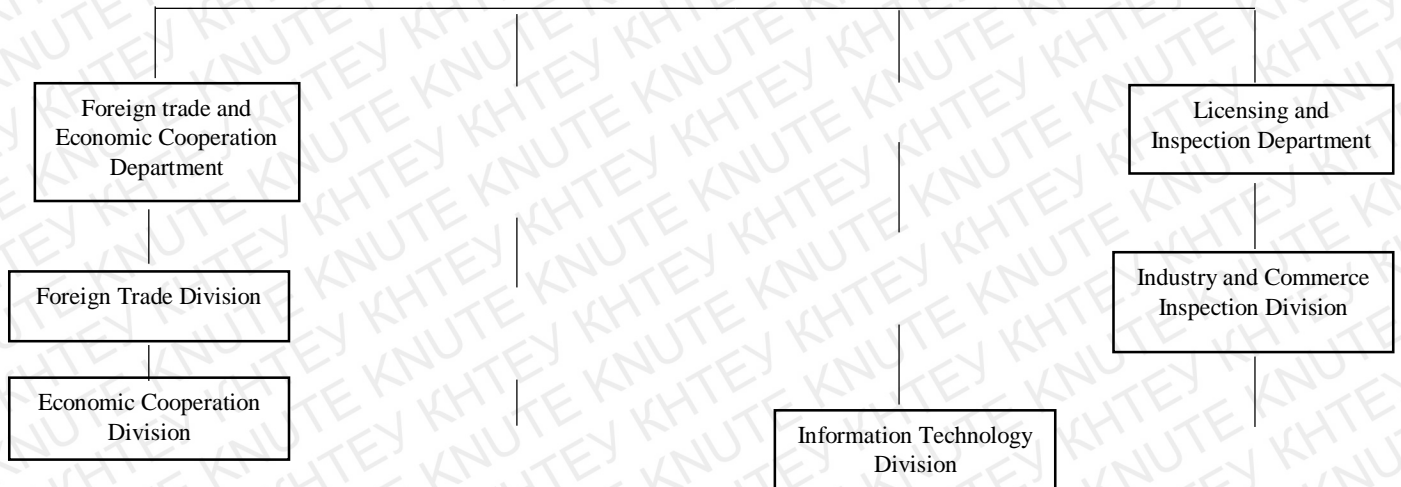


Figure 2.1. Organizational structure of foreign economic activity management in LLC “Aeros”. [4]

According to this scheme, LLC “Aeros” has very widespread system of foreign economic activity management. In charge of all this enterprise is a director, and, in case of his absence, deputy director is the one in charge.

The Industrial and Commercial Development Fund and Administration and Finance Division directly respond to director or deputy director, the chiefs of this departments provide statements about their activity and could inform about required equipment or special conditions for successful operational activity.

Down below on through the hierarchical ladder located five different departments, which are situated on the same level. Such as Foreign Trade and Economic Cooperation Department; Economic Activities Development Department; Intellectual Property Department; Research Department; Licensing and Inspection Department. Each of this departments divided into two divisions.

Foreign Trade and Economic Department consist of Foreign Trade Division and Economic Cooperation Division. Foreign Trade Division - is a part of the management staff of an enterprise; its task is to plan, organize and coordinate the foreign economic activity of an enterprise. The main tasks of the division of foreign trade is:

- management of the export potential of the enterprise and the creation of competitive products;

- ensuring the fulfillment of obligations to foreign partners;
- development of new forms of industrial, scientific, technical and investment cooperation;
- preparation of contractual goods for the procedure of customs clearance.

In this case, the volume of export-import transactions is constant, homogeneous, its geography is limited.[14]

The main function of foreign trade division in LLC “Aeros” is to ensure stable and adequate potential enterprises of foreign economic activity, improving trade relations with foreign partners.

The main types of work performed by this department in current company are as follows:

- organization of export-import operations;
- monetary operations;
- declaration and customs clearance of goods;
- establishing partnerships with firms from other countries;
- scientific information work;
- search for ways to enter the foreign market;
- the study of trends and trends in the development of the world market for a particular product.

Declaring and customs clearance are one of the main activities of the foreign trade division, since not only consumers of the company's products are located abroad, but also the main suppliers of raw materials are foreign partners. This causes a constant flow of raw materials and goods. Cargo declaration involves the execution of the following documents:

- cargo customs declarations (CCD);
- electronic copies of the CCD;
- customs value declarations;
- inventory documents attached to the CCD.[1]

The final result of the declarant’s activities is the receipt of the “Release allowed” customs mark.

In accordance with these general tasks and activities of the department of foreign economic activity, its employees have their specific responsibilities.

Consider the structure of the foreign trade division, the composition of which is determined by the structure and characteristics of the production of export products, forms and scales of foreign economic activity in the enterprise: the head of the department, deputy head, who is directly subordinate to the head of the department, and in turn are subject to: customs control expert, economist, protocol the Bureau.

The head of the foreign trade division carries out general coordination of the activities of the division's employees and coordinates the activities of the division with other divisions and services of the enterprise, deals with the movement of foreign currency, solves current operational issues. In some divisions there is a position of a currency operations specialist (planning, control over currency settlement transactions, etc.).

The deputy head of the foreign trade division monitors the timely implementation of instructions, conducts correspondence with enterprises and firms of Ukraine and other countries on scientific, consulting, economic and other issues, and participates in the development of contract terms.

The economist of the foreign trade division is responsible for calculating the prices of export products, taking into account the delivery basis and other conditions, drawing up commercial proposals for selling the company's products, developing articles of the contract, issuing a passport of the transaction under sales contracts, preparing an action plan for meeting the conditions of the contract and its control. In some departments, instead of an economist, there is a position of a leading specialist in market conditions and prices.[48]

The expert in customs regulation keeps all customs documentation: provides customs clearance of products exported and imported by an enterprise, draws up cargo customs declarations, keeps statistical records of the department.

With the constant nature of export and other foreign trade operations, their focus on expansion, LLC "Aeros" has in its composition a professional service of foreign economic activity, it's a department of foreign economic activity.

The department of foreign economic activity is a structural subdivision of the enterprise and carries out the functions of foreign economic activity management. The main tasks of the department are: planning foreign economic activity, participating in determining export prices, searching for new export orders, monitoring the fulfillment of obligations under the contracts, analyzing the efficiency of operations, organizing and participating in conducting negotiations with potential customers, managing the export potential of an enterprise, controlling the organization of shipment insurance, customs clearance and transportation of export goods, currency control, claims analysis, study of foreign market conditions, collection of competitive information campaigns (price, technical, commercial for firms to competitors), preparation of proposals for advertising companies, for participation in exhibitions, fairs, development of draft strategies for foreign trade activities of an enterprise with the attraction of foreign investments.

Functions define a specific organizational structure. On a one-to-one basis, the company is headed by its director. In this case, he has deputy responsible for the relevant units. Foreign-economic firms, as a rule, are included in the general management structure of the association without the right of a legal entity, but may have a sub-account on the company's account, which gives it relative tactical autonomy.[48]

The company has the right to independently determine the forms, methods, and volumes of work on the foreign market, which places high demands on the organization of managing its foreign economic activity. When deciding on the choice of an option to enter foreign markets, special attention should be paid to competitive advantages. A company usually provides the achievement of this goal by solving more specific problems:

- expansion of sales of products through the development of new markets abroad;
- constant minimization of production costs and unit costs per unit of production;
- permanent reducing the cost of sales of goods by choosing the right sales strategy;
- steady improving product quality through the use of new technologies and materials.

Realization of the external economic potential depends on the external economic environment of the company, primarily on the general economic situation in Ukraine. In

the real economic environment of the current period, managers are forced to apply non-standard, from the point of view of world practice, schemes associated with a high degree of risk.

The main current duties of the head of the department for foreign economic activity in LLC “Aeros” are as follows:[4]

- within the authority granted by the Marketing Director to manage the organization and conduct of foreign economic activity of the LLC “Aeros” in strict accordance with the requirements of the legislation of Ukraine, international legal norms and other regulatory documents in the field of foreign economic activity;
- carry out all the instructions of the Marketing Director in terms of their functional duties, maintaining the labor and production discipline in the department;
- know the order and rules of registration of foreign economic contracts (agreements);
- to lead the work of subordinates in the preparation, development of conclusions and implementation of export-import contracts;
- know the export opportunities of the company according to the fixed nomenclature, as well as the import requirements of the company and prepare proposals for their inclusion in the projects of the current and future plans of the company;
- to organize the preparation of foreign economic agreements (contracts);
- to exercise control and participate in the implementation of foreign economic contracts in accordance with regulatory documents;
- organize the study of the markets and the conjuncture of goods according to the fixed nomenclature, the dynamics of the prices of these goods, the conditions of supply and settlement, the requirements of the markets of the importing countries;
- study foreign firms of competitors and counterparties according to a fixed nomenclature;
- within the competence to organize negotiations with foreign firms on a fixed nomenclature at the direction of the management;
- organize the preparation of letters, draft agreements, contracts and other documents on ensuring the foreign economic activity of the LLC;[20]

- organize calculations and substantiation of prices for export-import goods, drawing up competitive lists for imports, preparation of price certificates;
- know the order and rules of paperwork required for export-import operations. To control the completeness and correctness of their filling in accordance with the requirements of the customs and currency legislation of Ukraine;
- to ensure control over the implementation of foreign economic contracts assigned to the department;
- to analyze the functioning of the quality system in the framework of directly subordinate personnel. To organize corrective and preventive measures based on the results of the quality system audit;
- travel in the prescribed manner on business trips, including abroad, to address issues related to the tasks of the department. Plan a trip for subordinate personnel and monitor their assigned tasks;
- to organize maintenance in the department of office work and internal documentation established by the regulatory documents of the LLC and its structural unit;
- organize the development of methodological documentation on the subject of the department;
- awareness of the structure of LLC, the range of products and its scope;
- to ensure the safety and efficiency of technical equipment and property assigned to the department;
- to determine the need for personnel necessary qualifications and the need for its training, to make appropriate plans and applications;
- carry out the distribution of incoming documents, monitor the timing of their implementation.[19]

LLC “Aeros” not only carried out export operations, but also focusing on import activity of components and raw materials. Because of this. There is two main directions of foreign economic activity in the company. Department, responsible for inbound logistic, also control the amount of stocks and inventories at the company’s warehouses. Some of the components or raw materials have a year gap between ordering and arriving at the company’s warehouse. So, precise managing of inventories amount and

planning of their consumption volume play a vital role in the production activity of LLC “Aeros”. In manufacturing of such an advanced and unique products as light aircrafts, absence of a coin-sized component could cause a delay in production for months. For majority of components, there is no substitutes in the local market and for some of them it takes weeks, or even months to produce them and bring to the Aeros’s production facilities in Kyiv.

Another direction of foreign economic activity in LLC “Aeros” is responsible for company’s export operations. It’s consist of exporting final products and spare parts. It is also very important to carry out export operation in time. Each delay in arrival of finished product to the final customer could reflect on the company’s worldwide reputation and cause a decline of demand. While timely shipment and even a bit early delivery could improve company’s reputation and increase demand. As a result, company could get higher turnover and bigger profit at the output.

2.3. The estimation of export activity efficiency of LLC “Aeros”.

The main type of foreign economic activity of LLC “Aeros” is export. Price of the final product on the foreign market should exceed the amount of expenditures in order to get some profit.[26]

LLC “Aeros” selling an aircraft (trike) to the Germany. An object of foreign trade operation is trike Aeros-2 with Rotax-912s engine and Profi-TL deltawing. The price of single trike is 14800[^] , Rotax engine costs 13530[^] , wing Profi-TL 6880[^] . The price of the whole product on the foreign market is 35210[^] .[4]

Table 2.5

Terms of export contract

Item	Aeros-2 (Trike)
Country of export	Germany
Unit price	35210 euro
Total quantity	1
Terms of delivery	CIP Hamburg - Germany
NBU currency rate at the payment time UAH/USD	27,92
NBU currency rate at the payment time UAH/EUR	31,38

Table 2.5 show the contract value of the product with its delivery to the target market on the CIP term. With the price of the same item at the domestic market 26750 EUR it leaves the gap in 8460 EUR to deliver and get additional profit.[4]

Table 2.6

Expenditure pattern as a percentage of a contract price

Expenditures	% of a contract price
Transportation costs	9
Insurance costs	2.5
Unloading costs	0.5
Material expenses of exporter	0.8
Labor costs	5
Assignments of a payroll	22

Made by author on the base of company's data.

Table 2.6 shows that the main expenditure is connected with cost of transportation, labor and insurance expenses.

Table 2.7

Indicators of the efficiency of the export operation of the LLC "Aeros"

Indicator	Calculation	Value
Invoice value, euro	1*35210	35210
Costs of export incurred in accordance with the chosen basis of supply, total, euro	$35210 * (0.09 + 0.025 + 0.005 + 0.008 + 0.05 + 0.05 * 0.22)$	6654
Transportation costs		9
Insurance costs		2.5
Unloading costs		0.5
Material expenses of exporter	-	0.8
Labour costs	-	5
Assignments of a payroll	-	22
Cost of goods	-	22873
Cost of goods including	22783+6654	29437

delivery expenditures		
Export operation effect, euro	35210-29437	5773
Export efficiency ratio	35210/29437	1.196

Made by author on the base of company's data.

The expenses of the company associated with the export operation under this delivery condition are 6654 euros. The largest part of it is transporting through all delivery distance. In this case, the main vehicle is a car, because in such a relatively small, export distance, the high mobility of this type of transport plays a significant role, which in turn is supported by the high speed of delivery and the possibility of reaching the destination goods without additional overload. The truck is loaded by the company in its production facility and carry out the product through borders, up to the unloading location in the buyer's place.[9]

In this case, the income from the sale of goods in the export market significantly exceeds the company's costs for the transaction. Net income of the company amounted to 6654 euros. The export efficiency ratio is 1.196, which is a high indicator. Such results are provided by optimizing the company's costs and high-quality products, due to which the company has the status of manufacturer of ultra-light aircraft with excellent characteristics.

The product on the domestic market has lower price, mainly because of the living standards in Ukraine and national currency exchange ratio. The effect of financial operation, with selling such item, in domestic market is much lower: $26750 - 22783 = 3967$ EUR. The efficiency of selling operation is subsequently lower than the same at the foreign market: $26750 / 22783 = 1.174$. The difference in effect between markets is $6654 - 3967 = 2687$ EUR. Efficiency difference is not that significant, because of increasing in general amount of costs and income, so even much bigger amount of profit, generate 1.87% of difference in efficiency.

Besides, higher amount of income with usage of foreign economic activity operations, expansion to the foreign market tend to huge growth of the demand. The supply of LLC "Aeros" is much higher than demand on Ukrainian market on such type

of goods. That's why selling of final product at the international market is make so much sense for a company with such specific and narrow-focused product.

Before entering the international market, enterprises analyze both external and internal factors, choosing the most appropriate way for them to penetrate. And each strategic approach entails a huge amount of commitment, risk, and control to get the highest profit. Environmental factors abroad are also taken into account: economic, political, legal, socio-cultural, factors of state regulation, and many others. All of these factors are generally interconnected and act more often at the same time.[66]

Speaking about the problems of entering the foreign market, LLC "Aeros" sometimes face the problem of currency conversion, which could not affect them on the domestic market, by measures of tariff and non-tariff regulation, piracy and corruption. All the above described only confirms that currently it is impossible to ignore the development of a marketing strategy for entering the foreign markets, which allow to create a complex of actions satisfying the goals of the organization, and actually is a basis for success.

Table 2.8

LLC "Aeros" average export operation effect, 2013-2017

Indicator	2013	2014		2015		2016		2017	
	Actual	Actual	Absolute deviation, +/-	Actual	Absolute deviation, +/-	Actual	Absolute deviation, +/-	Actual	Absolute deviation, +/-
Export Effect, thousands UAH	67016	241819	174803	269601	27782	206365	-63236	211586	5221
Balance profit, thousands UAH	40809	12231	28578	145509	133278	248714	103205	203861	-44853
Net profit, thousands UAH	-26207	-229688	-203481	-124092	105596	42349	166441	-7725	-50074
Export efficiency, %	13	18	5	16,5	-1,5	17,3	0,8	19,6	2,3
Gain efficiency, %	17,8	18,5	0,7	19,2	0,7	18,7	-0,5	19,8	1,1
Return on costs, %	13,3	14,1	0,8	14,8	0,7	17,3	2,5	16,7	-0,6
Return on equity, %	-33	-199	-166	-44	155	-7,21	36,79	-8,35	-1,14

In determining the efficiency of foreign trade, a systematic approach is used which allows a comprehensive analysis of different types of foreign economic operations. In order to make economic analysis, first, it is necessary to determine with the criterion of efficiency based on which the estimation of efficiency of production is carried out.

Based on the derived data, one can calculate indicators both generalized and intermediate, to develop the formulas of the influence of factors on the generalized indicator, to see the deviations in financial and economic activity, and, most importantly, to calculate problems that may require a timely solution.[75]

In current situation, as well as usually, delivery of the finished goods is carried out by means of road transport. This type of transport is optimal, because it is fast enough, and when delivered at short distances, it has significant mobility benefits. The cost of motor transport is also significantly lower than that of aviation, and the difference in speed, taking into account the loss of time for delivery to the main carrier, is not so significant. Ready-made trike is delivered disassembled in a box of 3 meters in length and 1 meter wide. Thus, the product occupies a fairly small area in a truck, which allows to reduce shipping costs by sharing costs with other companies that send small sized goods in the same direction.

According to the terms of shipment, insurance charges is the liability of the LLC “Aeros”. Among the companies studied, the insurance company ALLIANZ Ukraine [4] is the optimal choice to insure this transaction. Despite the higher cost of insurance, this company has a much larger insurance coverage than competing companies and even more than an insurance company's revenues [7]. This indicator displays that the company honestly carries out its duties and, in the event of an insured event, will cover the losses stipulated in the insurance contract. The insurance condition will include all risks. Under this condition, the following are subject to reimbursement: all losses from damage or total loss of all or part of the insured cargo, as well as all necessary and expedient expenses for rescue and storage of cargo and for prevention of further damage to it. This characteristic is very important when transporting a fragile precious product.

The currency of the price and the currency of payment is the euro. The calculation is carried out by transferring funds to the seller's bank account. In the payment order, the buyer must indicate the contract number and the invoice number. When performing payment, the buyer within two days sends to the seller a copy of the payment order with a mark of the bank on the sending of funds. The buyer pays the commission of the bank for the transfer of money.

The product is accompanied by the following documents: an invoice in three copies, a bill of lading, a packing sheet. The company provides a cargo customs declaration to the customs authority. The seller reserves the right to change the price of his product during the period of execution of the order according to the contract conditions.[14]

Ukrainian company Aeros Ltd plans to deliver to Germany, in 2018, a trike – Aeros-2 with Austrian Rotax 912s engine and delta wing Profi TL on the delivery terms CIP-Hamburg, Germany, in the amount of 1 item. Payment should be made by transferring funds to the seller's bank account in EUR. The cost of one unit of the aircraft is 35210[^] (including the cost of production and profits of the company). Competitive materials are given in the table 3.4.

Table 2.9

Competitive materials

Terms of contract	Competitive materials		
	Contract "Moyes"	Contract "North Wing"	Contract "Wills Wing"
Country	Australia	USA	USA
Price	37650 [^]	36382 [^]	40286 [^]
Year of competitive material	2018	2018	2018
Delivery terms	CIP Hamburg	CIP Hamburg	CIP Hamburg
Terms of payment	Prepayment	Prepayment	Prepayment
Quantity, pcs	1	1	1

All data about competitors is given in the same condition as the conditions of current LLC “Aeros” shipment. That’s why there is no need to make any correlations.
[4]

As you can see from the table 2.9, price of final product made by Aeros company is lower, not only compare to the average market price, but even lower than any of it’s competitors. This situation mainly is a result of different location. While LLC “Aeros” situated in the Ukraine, where exist really low level of living standards and really low level of workforce cost, especially compare to well-developed countries, such the one in which located main competitors.

Moyes Delta Wings is located in Australia. This country is well known by its high living standards. Such sphere of company’s activity require huge amount of handwork. Australians citizens have high level of salary and blue-color workers is not far from office workers by this indicator. That is why the Australian company is struggling to keep up with Ukrainian company, at least by price indicator.[51]

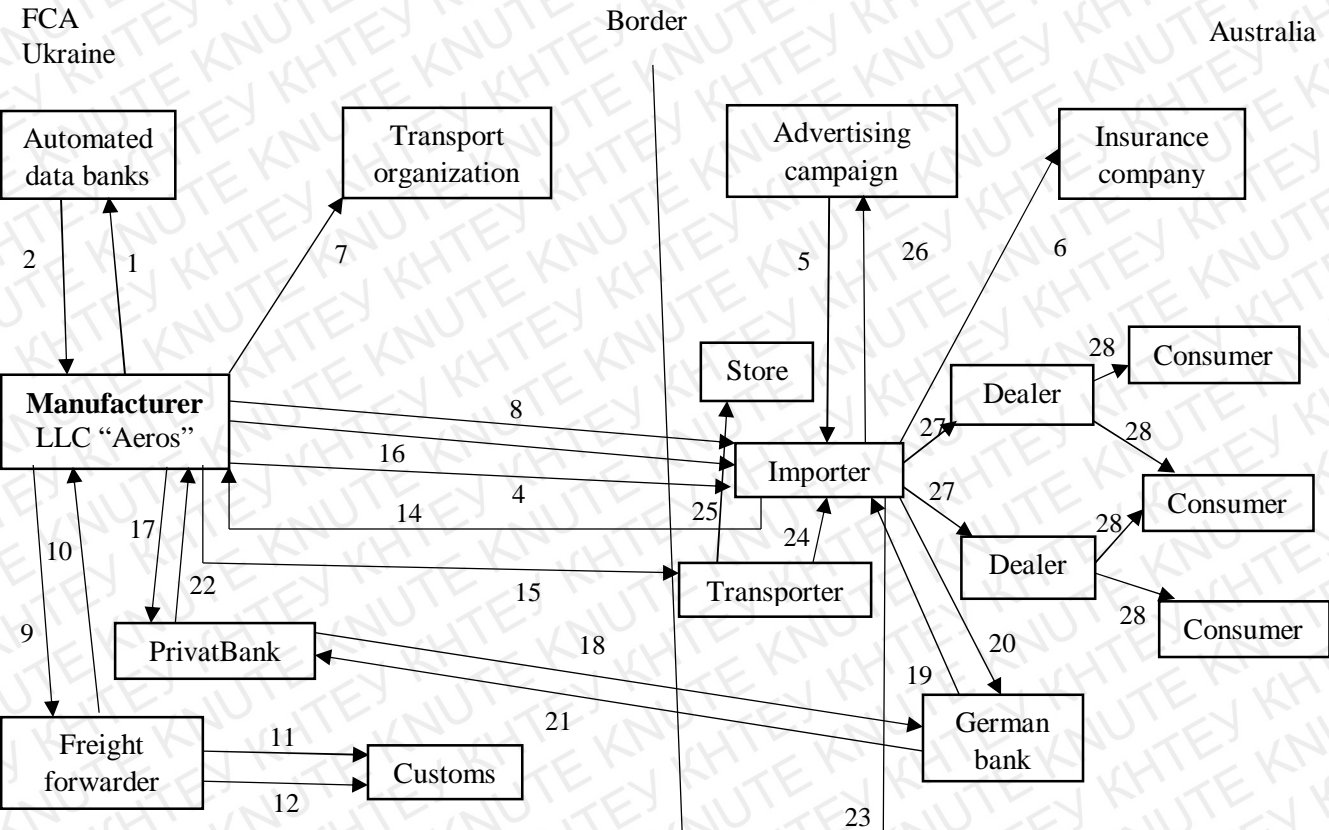
Two another competitors is from USA. The have the same problem with pricing as Moyes. Wills Wing and North Wing located in a well-developed country with one of the highest living standards in the world. The salary of workers in several times higher than in Ukraine, and because it’s a type of product that require a lot of hand work and demand huge amount of man hours. So, it’s one of a kind product, so there is no possibility to use machine equipment and change to automated production, because amount of turnover couldn’t cover all of expenses.

If we talk about quality indicator, LLC “Aeros” could compete with foreign competitors without any losses. In some cases even exceed them. For more than 20 years on the international market LLC “Aeros” prove its value and quality specifications. Company has a good, strong reputation of producer of high quality, reliable ultralight aircrafts and delta wings with almost the best specifications. So, because of well-talented and experienced Ukrainian engineers, LLC “Aeros” has a possibility to get to the market, one of the best products with relatively moderate price.

Aeros tend to improve qualification of workers and staff on assembling line to keep up with modern market trends and to confirm its reputation. So, company give

opportunities for its personnel to visit some workshops and trainings for improving of qualification and skills.[68]

The process of sending a final product to the consumer as not as simple as it might look and include many different processes. Sometimes company sell its product on another terms, such as FCA, and with usage of trade agents and dealers. This system appears in countries, which do not have well-developed selling chain by company, such as Australia. Trade agents help to reduce costs in countries, where company does not have clear understanding about market and has lack of information about the most reliable and efficient distribution channels. While trade agents, such as dealers, allow product to get to the final consumer in the most quick and cost efficient way. All this processes displayed in picture 2 below.



Pic. 2.2 Scheme of the export operation of LLC "Aeros" to Australia.[4]

1. LLC "Aeros" sends a request to an automated data bank.
2. The manufacturer receives information based on which prices are calculated for different delivery conditions.
3. The company determines the counterparty and prepares the offer.
4. At this stage, negotiations and contracting take place.
5. The importer conducts the first advertising campaign.
6. The importer sends a letter to the insurance company asking to insure the goods for the period of transportation, and the insurance policy to be issued to the exporter.
7. LLC "Aeros" concludes the contract of carriage on the risk and the account of the importer.
8. LLC "Aeros" sends an import letter to the importer about the conclusion of the contract of carriage.
9. The manufacturer gives permission to ship the goods.
10. The manufacturer instructs freight forwarding company to carry out the customs declaration and shipment.
11. The Forwarding Company submits customs declaration to the customs.
12. There is a customs clearing and obtaining an export permit.
13. The manufacturer declares that the goods are ready for shipment.
14. Importer sends a letter, stating the date, time and carrier, which should give the product.
15. Aeros Ltd. transmits goods to the carrier.
16. The company sends a transport document stating that the goods are in the carrier.

17. Submission by the exporter to the Privatbank of the collection order together with a set of financial documents.
18. Verification by Privatbank of the received documents and sending them to the German bank.
19. Presentation of German bank collection order and received documents to the importer in order to obtain money from him.
20. Receipt of payment from the importer.
21. Transfer of funds from the German bank to Privatbank.
22. Transfer of funds into LLC "Aeros" account.
23. Importer customs formalities.
24. Order for shipment of goods.
25. Unloading of hang gliders to the importer's warehouse.
26. Repeated advertising company.
27. Delivery of hang gliders for sale to dealers.

Then dealers sell finished products directly to consumers.

Thus, the finished product comes from the manufacturer in Kyiv to the consumer in Australia. Then dealers sell finished products directly to consumers.

CONCLUSION TO THE PART 2

Awareness of the objective necessity of the transition to market relations necessitates a rethinking of the economic foundations of economic activity, the market mechanism taking into account our socioeconomic reality, the lack of market culture and infrastructure, the necessary information, staff training, and also the fact that the market is a system of rather cruel socioeconomic relationships.

Currently, in the course of market transformations, enterprises are forced to function in a fundamentally new, different environment than before.

Here, we may mention such tendencies as the predominance of no equilibrium processes in the economic system on a global scale, the implementation of reforms

aimed at developing predominantly market relations in the Ukraine, the lack of experience and knowledge of executives about the dynamics of market relations, etc.

A special place in management in a market economy is because it is management that should ensure the interconnectivity, the integration of production and economic processes in the enterprise with the internal and external environment, the competitiveness of business, adaptation of production to market requirements.

These circumstances require a qualitatively new approach to the organization of management of domestic enterprises. Having acquired economic freedom and having lost ground in its mass of state support, the enterprise must have a certain organizational potential that would allow it to survive and develop in a market economy.

Improving the business of the organization is a particularly urgent task, the solution of which is an important condition for increasing sales. In modern conditions of a competitive market, a company must develop its activities and economic potential, so it gives a chance for profit in the future.

LLC “Aeros” should develop a long-term course of action that would allow it to keep pace with the changes that taking place in its environment. When considering the improvement of the company's activities, one of the main tools is the planning and management of the company's resources.

Based on the findings, I’ve have developed the following main recommendations for improving the strategy of the international activities of the enterprise LLC “Aeros”.

The main recommendation, in my opinion, is the introduction of the process of planning the foreign economic activity of the enterprise LLC “Aeros”, as one of the stages of improving the strategy of international activities, which includes seven main parts: choosing long-term goals, assessing one’s own capabilities, studying the market, choosing alternatives), the development of tactics, the formation of demand and sales promotion, analysis and control.

I also note that an enterprise that engages in foreign economic activity must clearly define for itself international business strategies in order to take a leading position in the national and global markets. To do this, it is necessary for the management of the company to conduct an effective foreign economic policy, and also

to take into account the maximum demand of consumers and create competitive advantages for conquering new markets.

PART 3. THE IMPROVEMENT OF THE MANEGEMENT OF THE EXPORT ACTIVITY OF LLC “AEROS”

3.1. The verification of reserves for improving management of the export activity of LLC “Aeros”.

The modern market is characterized by a high level of competition among enterprises for the largest market coverage, attracting a larger share of potential consumers and achieving a leading position. The presence of a large number of competitors forces enterprises to be constantly looking for new opportunities to occupy a competitive position on the market and minimize costs. Sophisticated in the methods used, many companies completely forget about their own unrealized possibilities.

Opening the internal potential of the company, by using each of its links with

maximum efficiency, it is possible to achieve a significant increase in competitiveness without investing in external resources. By activating its internal potential at an enterprise, you can achieve an effective competitive advantage in a market niche — while reducing costs, profit increases are observed. An effective enterprise is regarded as an enterprise that produces demanded products quickly and on time with high quality and minimal costs[2]. The basis of the successful functioning of enterprises is to increase the efficiency and efficiency of work. To achieve the highest level of efficiency of operation, it is necessary to activate all the available reserves of the enterprise. Reserves of the enterprise means the untapped, constantly emerging opportunities for growth and improvement of production, its final results (increase in output and sales of products, reduction of costs, increase in profits). [4]

Improving of the efficiency of the company - the starting point in the operation of the enterprise. To summarize the quantitative assessment of the efficiency of the activities, a deep economic analysis of the functioning of the enterprise is carried out, strategic and tactical plans are developed, the current analysis of the company's activities is carried out and reserves are identified for its improvement. Reserves of the enterprise represent the segment between the point of actual use of the resource and the potentially available. At the same time, the interval between the point of actual use of the resource and the point reflecting the available resource potential of the enterprise is internal development reserves, and the segment from the point reflecting the existing resource potential of the enterprise to the point of available resources is the company's external reserves.

Reserves of an enterprise are unused or not fully utilized resources and capabilities of an enterprise. It should be noted that these resources are most ready for use. Reserves are the unrealized potential for improving the efficiency of financial and economic activities. Reserves can be defined as the difference between current and possible levels of resource use. In more detailed terms, under the reserves for improving the efficiency of the enterprise, it is necessary to consider unrealized opportunities to minimize the current and projected costs of material, labor and financial resources with the same level of production development. There are a large number of classifications of

reserves of the enterprise, but the most interesting is the time type of reserves. These include:

- Unused reserves (lost opportunities of the enterprise for a certain period of time).
- Current reserves are a chance to achieve an increase in the performance of an enterprise over the next period (month, quarter, or year).
- Perspective reserves are opportunities for improving performance in the long run.

One of the important aspects of identifying the reserves of an enterprise is the organization of their search and quantification.[35]

Firstly, it is necessary to identify the basic principles of the search: scientificness, completeness, complexity, consistency, prevention of re-counting of reserves. A rational approach to finding and activating reserves is characterized as follows:

- search for the main reserve, namely the identification of those items of expenses that, with minimal financial and labor costs, will help reduce most of the costs;
- identification of places constraining production volumes;
- identification of reserves at each stage of the product life cycle;
- comprehensive assessment of activities.

Identification of reserves of the enterprise should be comprehensive and systematic. An integrated approach is the identification of reserves for all characteristics of the enterprise, the system - summarizes and groups of reserves.

An important requirement for the search for reserves is the completeness of their identification, which is manifested by the means of balancing the three main aspects of the labor process:

- means of labor;
- objects of labor;
- labor resources.

This characteristic means that any largest reserve of any of the resources cannot be implemented in case of a shortage of reserves for other resources. In this and the necessity of checking the reserves for completeness. The reserve is complete when it is backed up with the necessary resources, both in valuation and in physical and material terms.

The next characteristic of reserves is their economic feasibility. This parameter is expressed in the need to analyze the real capabilities of the enterprise. At the current pace of change and transformation, an important competitive advantage is the efficiency of the search for reserves. In addition, the sore spot of many organizations is the “far box” - it is necessary not only to quickly identify existing reserves, but also to implement them as fast as possible. The search for reserves should be systematic and massive. The systematic criterion is manifested in the constant implementation of measures for the search for reserves, a massive one - in attracting personnel of different levels and specialties to search.

In current situation LLC “Aeros”, has a lot of unused, on not fully used workforce. Some part of staff, about 30-40% is not using their full working potential, or even just waste their time by doing nothing at the workplace. In order to improve efficiency of foreign economic activity as well as profitability of enterprise in general, company should cut down part of its human resources.[67]

Some of the possible innovative strategies in the LLC “Aeros” management system involves the creation of a new managerial technology, a new business process or a new system of organization and management. Innovation is created by reforming existing management systems, technologies and processes.

Management innovations often fall from the point of view of managers, which, as a rule, reduce the development of the enterprise to technical or technological innovation. The organization's potential is perceived as unequivocally technical and technological. Organizational and human potential, that is, the degree of capacity building through more effective management and use of human resources, is not seriously used. Thus, opportunities for development are significantly reduced.

It is believed that the highest position in business is achieved not so much by the companies that made a breakthrough in applied research, as by companies with a high level of professionalism and know-how in management [6]. Despite the high risks of projects in the field of managerial innovation, they are much cheaper for companies than technological or product innovations. Therefore, LLC “Aeros”, in order to achieve

astonishing results on international market should use all possible resources, not only in management sphere, but also in the R&D segment, to create some know-how product.

The most effective innovations in the management system are considered [7]: reengineering or optimization of business processes, functional and cost analysis, margin analysis, building a client-oriented company, active and aggressive marketing, corporate information systems, logistics administration, a balanced system of performance indicators, outsourcing, benchmarking, self-development mechanisms, a five-step model of motivation, and others. All of these innovations could be used in the system of current enterprise and make significant influence on company's production potential.

The management system of foreign economic activity is a complex of interconnected and interdependent elements of management in an enterprise and its own communications, which realize the whole enterprises in foreign markets, and also provide solutions to its problems in the field of external markets and related ones.

Innovative changes are especially important in the system of management of foreign economic activity of the enterprise, since it is the FEA department that provides, organizes and controls this activity to a greater extent). The profitability, efficiency and efficiency of the enterprise's export-import operations depends on the efficiency of the department's operations. Moreover, if foreign trade activity is the main source of profit for the enterprise.

The formation of an innovation strategy in the management system of foreign economic activity is a very complex and lengthy process, since innovations in management systems are characterized by high risk that scientists explain by psychological barrier and avoiding uncertainty from the staff, because this group of innovations primarily concerns them. For this kind of innovation more than for technological and industrial inherent risk of resistance from the employees of the enterprise, the rejection of new ideas.

Each company, that successfully operates in the market, sooner or later decide to develop and enter new markets by expanding its presence in other regions. LLC "Aeros" is not an exception.

There are many problems hindering the development of foreign economic activity at the enterprise, but all of them can be divided into two categories:

- problems caused by the internal environment of the enterprise;
- problems related to the external environment.

Let's start with the problems that are connected directly with the company itself, namely, the internal, restraining the development of foreign economic activity in the enterprise. [71]

The most important issue in foreign trade is the quality of products. Even if the quality of production at the enterprise meets all Ukrainian standards, additional requirements for the product and its quality must be adhered to for foreign trade. In case with ultralight aircraft, there is no straight standards for such product, while international legislation is well aware about required specifications of such an aircraft. The fulfillment of these requirements is directly related to technical and human problems.

In addition to the shortage of some products, due to the tough economic situation in the country during the recent years, there was an increase in prices for products of all kinds, as a result of which profits at the enterprise increased, even taking into account the factor, of a decrease in demand for goods.

Technical problems include the obsolescence of equipment and production capacity in particular. To repair or completely replace equipment and facilities, large capital investments are required. The most favorable for the enterprise is the reconstruction of the equipment to be carried out every year in stages.

Human problems may include the current high staff turnover, the lack of young staff (Actually more than 30 years old and before the retirement age in the structure of workers), and the lack of qualified personnel. Current generation do not want in production sphere, and majority of young, qualified people tend to studying and working in the sphere of services. This situation is mainly formed because of level of salaries in production sphere and reputation of such type of working activity within the country. In Ukraine, production and machine-building industries suffer from these problems most often, since such consequences are a consequence of the economic

recession during the collapse of the USSR and the formation of market relations in the Ukraine. The difficult situation in this sector is not conducive to attract new young personnel.

The lack of skilled labor is also a major problem because it contributes to the obsolescence of technology. The level of technology can be understood as the quality of the production process, and the basic properties of the product or products. The low manufacturability of products, the lack of fundamentally new ideas and research leads to a low competitiveness of the product.[26]

In addition, from internal problems one can single out an incorrect or unsuccessful geographical position for conducting foreign economic activity. The company may be located in areas remote from the borders of the state, which causes high costs for the logistics of product delivery, both to domestic consumers and to consumers abroad. This implies an increase in the cost of goods, as well as difficulties in the customs clearance of supplies. Remoteness from the borders of the state also complicates the work on the conclusion of foreign trade agreements and contracts. Fortunately, LLC “Aeros” located in the capital of Ukraine, and in the modern world there is no problem with transportation within the country or abroad. [32]

To clearly understand all potential and find reserves of improving export activity of LLC “Aeros” it necessary to create a table of advantages and disadvantages of product, control system, and planning of export activity on the Aeros LLC.

Table 3.1

Advantages and disadvantages of products, control systems and planning of export activity of the LLC “Aeros”

Strengths		Weaknesses	
Advantages	Benefits	Disadvantages	Methods of their elimination

1. Low price	Using relatively cheap workforce	1. Usage of old equipment and constantly decreasing demand	Update of equipment and development of marketing department
	Exploitation of cheap technology and utilities		
2. Free production facilities and development in production potential is available	Decrease in production activity in 1990s lead to huge, unused production facilities	2. Weak demand because of customer's low purchasing power	Seasonal discounts, planning of foreign economic activity and access to world markets
3. Benefits and attractiveness for investors	The value of the enterprise and its assets much lower than average on the market	3. Problems with product quality	Developing of innovation
		4. Troubles in domestic market because of economic situation	Enter to the international market and creation of joint ventures companies
		5. Troubles with effective management system on international markets because of lack of experience	Usage of joint ventures and out tasking of developing new market chains

The inability of domestic enterprises in the machine-building industry to conduct a real competitive struggle with foreign firms is also due to the many years of experience of Western enterprises in the field of equipment and innovation, the greater opportunities of Western enterprises in the field of access to cheap lending, as well as their ability to provide products with loans with moderate interest rates fixed by industrial ties between the EU and the US and other reasons.

The development of the machine-building industry requires a number of concrete measures on the part of the state, and not only the writing, with no financially backed long-term state support programs for the development of this industry. Over the past 20 years, nine state programs have been developed in Ukraine for the development of the

domestic engineering industry, but none of the aforementioned programs really was able to help the domestic machine-building complex, since it did not provide clearly identified sources of financing [18].

In the countries of the European Union, the understanding of the feasibility of "soft" industrial policy on priority high-tech industries has been formed, which is based on cooperation between the government and industry with the aim of increasing the productivity of industrial enterprises through eliminating barriers (infrastructure, financial, trade, regulatory, information, personnel, technological, etc.). Under such policies, the role of government is more stimulating and coordinating [13].

A set of soft industrial policies is wide and may include measures to facilitate access to finance, infrastructure development and institutions, government procurement, export promotion, investment attraction, territorial clusters, etc.

But the disadvantage of such a policy is a long-term and moderate effect, which, if necessary, is rapid modernization of the machine-building industry of Ukraine is insufficient.

Taking into account the crisis situation in the field of machine building, the state policy on it requires radical changes. The state industrial policy in the field of industrial development must be systematically constructed and scientifically grounded. In view of the degradation of industry and the slowdown in the production of high-tech industries during the 1990s. and during 2008-2009, 2013-2015, a systematic, comprehensive approach is needed to achieve the goal of increasing production volumes.

One of the possible approaches is the development of indicative development plans that would include, on the one hand, a set of actions by business owners to increase production and desired parameters of the industry, and on the other - the state assistance in the form of facilitating business, consulting, access to cheap lending. The necessary part of these plans is an analysis of trends in the development of each sub-sector (first of all, for existing and underdeveloped ones), made by reputable scientists, and advising industrial enterprises on ways to further improve products, reduce their cost and achieve higher competitiveness.

The world practice of countries that have achieved modernization success in the industry shows that the worse the situation was with the introduction of systemic industrial policy, the stronger the state intervention and the more stringent industrial policy should be at an early stage in order to systematically organize and help businesses identify priority investment areas, to develop new investment projects so that the new, more high-tech structure of the economy "grew up the meat" and managed to withstand international competition.

Particularly important industrial policy is taking place around the world during technological change, when business and investors around the world are looking for new directions and technologies for investing. Innovative development, industrial modernization and access to cheap lending are the priority policies of most countries of the world, including the industrialized countries of the European Union, the Asia-Pacific and the United States.

The purpose of industrial policy in the field of mechanical engineering is to achieve a progressive development of mechanical engineering, which provides saturation of production with new technical means and technologies, is the main source of innovation development and further economic growth of the country, increasing the efficiency and productivity of social work and increasing the welfare of the population [1].

This objective can be achieved by introducing a new concept of industrial policy, which stipulates the state not only to become a regulator of industrial policy development, but also the role of the state as the coordinator of industrial development by cooperating with the owners of the enterprises with the help of indicative development plans and the delimitation of mutual responsibility: business according to the proper organized production, innovation, marketing and marketing activities, and states for business counseling and the establishment of appropriate institutional and macroeconomic conditions for conducting economic activity, including providing mechanisms for lending at acceptable interest rates.[8]

Structural changes and transition to the trajectory of the growth of the Ukrainian engineering industry - the problems are extremely complex. The complexity of the

problems requires the implementation of a system-built and integrated program of structural adjustment of the mechanical engineering sector taking into account all types of problems of the industry and the proposed new concept of industrial policy. The main components of this program are:

- To conduct in-depth scientific analysis of each sub-sector of mechanical engineering with the creation of a plan of action for its development in cooperation with business with the recommendation of a set of actions for achievement of the target indicators;

- creation of special programs of crediting of machine-building enterprises through state banks, using mechanisms of refinancing of commercial banks of the NBU, at preferential loan rates that will not exceed the indicators of profitability of the industry (up to 10%), which will allow enterprises to modernize their fixed assets and pay the body the amount of the loan and interest for him;

- considering the vast majority of enterprises (90%) that are privately owned, the organizational structure of the flexible (capable of quickly adapting to changes in the internal and external environment) of the coordinating branch of development of the industry should be such forms of cooperation that unite entrepreneurs, management of state enterprises and government bodies (central and local) that are responsible for industrial policy and management of state-owned enterprises;

- improvement of the territorial organization of the machine-building complex by promoting the processes of creating technopolises, integrating and cooperating with production facilities, industrial technoparks and clusters, which allow to have a full cycle of production and reduce its cost price;

- reorientation to the production of competitive innovative products for the population and the economic complex, the development of modern new advanced technologies;

- promotion of rotation and automation of production processes, which reduces the cost of production;

- establishment of scientific process of innovative updating of outdated technologies through organization of research organizations at enterprises and scientific

establishments, support of introduction of technological inventions through initial support of innovations and network of venture enterprises;

- support of enterprises in patent and licensing activities;
- improvement of marketing strategy of enterprises;
- assistance in the production of goods for which there is a stable demand from the population and businesses and imported goods (as part of the import substitution process);
- improvement of the system of communication with the client, guarantee and post-warranty service of the goods;
- ensuring effective protection of the domestic market from unfair competition, simplification and automation of customs procedures, observance of the determination of the customs value in accordance with the standards of the WTO and the Customs Code;
- signing of the Agreement on Assessment of Acceptance and Acceptance of Industrial Products (ACAA) for each EU technical regulation, which will allow trade in goods between the EU and Ukraine under the same conditions as apply to trade between EU Member States;
- activation of participation in international exhibitions, tenders, specialized forums in order to popularize the image of enterprises and establish relations with regional, national and international contractors, active cooperation with Ukrainian trade missions abroad;
- implementation of measures to protect private investment, support of the investment process and advise investors on the most promising areas of investment.

In addition to the loss of markets in the CIS and the negative market environment in the middle of the country, the implementation of the Association Agreement between Ukraine and the European Union as part of the adoption of EU technical regulations is a significant risk for the development of the machine-building industry.[45]

Thus, the problems of the machine-building industry are complex and chronic and, in our opinion, require a new concept of state industrial policy, where the state, besides the role of the regulator, assumes the role of the coordinator of industrial policy

by means of cooperation of the authorities responsible for industrial policy and the owners enterprises by means of joint indicative planning of development of all branches of mechanical engineering and understanding of joint responsibility for achievement of the target indicators. Such state industrial policy, in addition, should be systematically constructed and scientifically grounded, and also include: analysis of the state of each sub-sector of mechanical engineering; providing access to lending at acceptable interest rates for the renewal of fixed assets; improvement of innovation activity of enterprises by creating research and development institutions; support for innovation through a network of venture capital companies; support for improvement of marketing and advertising activity of enterprises; assistance in entering new markets of sales from Ukrainian trade missions abroad and so on. Only under the conditions of a well-balanced and systemic industrial policy and implementation of the above-mentioned actions will it be possible to increase the competitiveness of machine building products in world markets, improve quality and reduce its cost, attract foreign investment, output manufacturers of machine building products to new foreign markets, create new jobs and, as a consequence , raising the living standards of the population.[71]

3.2. The measures of increasing export activity efficiency of LLC “Aeros”.

After analyzing the share of profits from export operations and the share of profits from ordinary activities, we conclude that the company's competitiveness and its

profit directly depend on the further development of foreign economic activity and increase its efficiency, although this type of activity takes a relatively smaller share in the structure of the company's business operations.

There are many options for possible strategies to improve the efficiency of export operations, consider some of them:

1. Change in terms of supply;
2. Change the form of calculation;
3. Changing the route of delivery, or use the services of another transport company;
4. Search for new markets for products;
5. Changing the range of products

Let's examine in more detail each of the possible options.

1. Change in terms of supply;

This strategy is more optimizing, as it is aimed at reducing costs and, as a result, increasing profits. At the moment, the company is working on CIP terms of delivery, at which all costs for the payment of duties and transportation and even insurance are borne by the enterprise LLC "Aeros", which we are examine.[39]

In many cases it is more profitable for an exporting company to work on more loyal conditions. CPT conditions are considered more advantageous for the exporter during transportation by any type of transport. For the seller, the limit of responsibility when choosing the conditions of the CPT passes at the time of receipt of the goods by the carrier. Further, all risks and financial obligations for the costs associated with the delivery of the goods are borne by the buyer (or share them with the transport company or the freight forwarder).

The use of these conditions allows the exporter to minimize its risks and costs, and is often limited to the delivery and loading of a consignment of goods to the port or to another place where the goods are shipped to the buyer. The CPT condition is particularly convenient when shipped to an importer's transport from the seller's warehouse.

2. Change the form of calculation.

The LLC “Aeros” often works with suppliers using a form of payment such as a letter of credit, which represents the bank’s obligation, provided at the client’s request, to pay a third party when the payee provides the document performing the letter of credit to the bank.

The use of this form of calculation is due to the simplicity of filling in banking forms, the insignificant amount of commission for small transactions.

An alternative to using a letter of credit settlement may be a collection form of payment. This measure will also contribute to cost reduction, which will lead to higher profits and, consequently, will increase the efficiency of export transactions.[41]

3. Changing the route of delivery, or use the services of another transport company;

There is a lot of carriers and transport companies on the market, but not all of them has the same tariffs, so some of them are most flexible. There is an opportunity to consider working with different transport companies, having studied their tariffs and logistic schemes of cargo transportation. Given the fact that product deliveries are carried out fairly regularly and large, it will be possible to significantly reduce costs and, accordingly, significantly increase the efficiency of export operations.

It is also possible to open a transport department within the company itself, but this measure is too costly and it turns out to be cheaper to apply to a particular company that deals exclusively with transportation. The advantages of using the carrier company is that the company has at its disposal a whole network of vehicles, as well as contracts with airlines and railway companies. Therefore, given the high cost of creating a transport department, this method will not lead to an increase in profits.[49]

4. Search for new markets for products

Entering a new market means the prospect of further development of the company. Diversification of the markets allows the enterprise to avoid significant dependence on the conjuncture of one market and to achieve the best commercial results. However, this increases the complexity of the work, especially with significant differences in these markets. Markets vary in price levels, quality requirements, trade policies, etc. A properly researched and selected market will lead to an improvement in

the financial condition of the enterprise and significantly increase the efficiency of export activities. [16]

5. Changing the range of products

Expanding the range of exported products is one of the main tasks necessary to maintain the competitiveness of the enterprise, as well as to increase profits. By releasing new products and expanding the range of products, the company reduces dependence on one product and increases its sales. Export efficiency largely depends on its product structure. The optimal ratio of groups of goods sold by the enterprise determines its assortment policy. The task in the formation of the export range is to ensure the dynamic growth of exports of highly profitable goods based on the best use of export resources and taking into account external conditions. Factors determining the range of products exported by the enterprise are changes in the range of products offered by competitors, consumer preferences, demand dynamics and the achievement of progress in science and technology.

Thus, we considered five possible options for improving the export activity of the enterprise.

To implement a successful export strategy, an industrial enterprise first needs to improve its marketing strategy.

To provide an effective export and marketing strategy, an enterprise must constantly expand its product portfolio. The need for this is due to several factors, the main of which are:

- change in demand for individual products;
- the emergence of new or improvement of existing products as a result of research in the field of engineering and technology;
- changes in the product range of competitors.

In addition, important factors for the development of the product range are:

- the expediency of using free capacity;
- the desire of intermediaries to purchase a wide range of goods;
- the expediency of using by-products of production.

The task of the top management of the industrial enterprise under consideration is to ensure, with these factors in mind, the fullest conformity of the product range to the demands of consumers. This compliance is achieved through the management of product range.[70]

To manage the product range means to constantly offer the market a range of products that satisfies customers in terms of the following:

latitude: an enterprise can develop a range by manufacturing goods of new assortment groups;

depths: an enterprise can increase the number of assortment positions in certain assortment groups and reduce them in others;

saturation: the company can develop a range by increasing the total number of all assortment positions;

harmony: an enterprise can achieve greater or lesser harmony between products from different product groups.

The main marketing decisions regarding the assortment policy are:

- 1) to expand the product range and nomenclature at the expense of innovation;
- 2) increase the saturation of existing product groups or deepen them on the basis of modification of goods;
- 3) reduce (narrow) the range of goods.

In the first direction (innovation) there is a big risk of failure in the market. This requires the use of a special innovation mechanism:

a) search for ideas of a new product, based on the study of the demand of consumers, intermediaries, analysis of information obtained at exhibitions, analysis of competitors, advertising, the media, information centers;

b) selection of targets - this stage is carried out by specialists of the enterprise (brainstorming method).

The selection of goals is carried out according to the following scheme:

- possible profit of innovation;
- analysis of the level of patent protection;
- estimated market capacity;

- level of costs;
- the presence of real and potential competitors;
- the timing of the introduction of a new product in production;
- assessment of the life cycle of a new product;
- definitions of market segments.

c) A study of consumer properties of the product and market analysis. At this stage, find out the physical properties of the new product, organize its production in the laboratory, organize the work on patent protection. Sometimes industrial goods at this stage are supplied by trial lots for free to their customers for their testing. Then, according to the test results, the new product is brought to the level of the most stringent consumer requirements.[38]

g) The study of the features of production and marketing of a new product. This stage partially coincides with the previous one. Specialists study the most efficient production methods, investigate quality problems, search for rational distribution channels, carry out work on packaging, eliminate all comments from the consumer as a whole.

e) Organization of pilot production. A small production of a new product is developed, a price is assigned, target segments and profit rates are specified. Based on the results of this work, a report is compiled and submitted for approval by top management. Only after the approval of mass production is developed.[73]

f) serial (mass) production and development of the marketing mix. There are options for expanding product groups:

Direct expansion (stretching) - the beginning of the production of assortment positions aimed at other market segments:

a) expansion down - the beginning of the production of lower quality goods at low prices for thrifty consumers. This may adversely affect the image of the brand;

b) upward expansion - the beginning of the production of higher quality goods at higher prices, for personalized and apathetic consumers. In practice, carried out by merging companies;

c) two-sided expansion: a combination of a and b.

Saturation - adding new products designed for the same market segment, which occurs due to minor changes in the design, set of properties, combinations of functions, etc. The danger of this strategy is a glut of assortment, which leads to a decrease in total profit, because goods begin to undermine each other's sales, and consumers are confused (marketing cannibalism). When releasing new products, you need to make sure that the new product differs significantly from the manufactured goods.[29]

The second marketing decision (product modification) is carried out on the basis of 2 approaches:

1) product variation - the parameters change, and the old product is excluded from the production program.

The basis for innovation is:

- changing consumer needs;
- response to the action of competitors;
- change of legal requirements for the product.

2) product differentiation is a change in the product, provided that the old product is not removed from production. The bases for product differentiation are the same as for the variation of a product.

When updating the product range, it is important to choose the time for the assortment position to enter the market in order not to cause damage to the goods of the current range, but also not to lose the consumer.

The third marketing decision (removal of goods from production, narrowing the range) can be applied if there are the following reasons:

- decrease in sales volumes;
- decrease in the rate of profit;
- reduction of market share;
- the emergence of a more advanced product - a substitute;
- increase in production costs.

However, the presence of these reasons requires careful analysis:

- a) identify whether there are ways to save the product and restore its profitability (price reduction, activation of promotional activities, improvement of the quality of the product, etc.);
- b) outline a plan for the removal of goods from production and the rational use of released capital and human resources;
- c) analyze: will the removal of goods from production affect the sale of other goods;
- d) for the removal of goods should choose a time so that it does not cause disruptions in the activities of the enterprise;
- e) the company should notify its regular customers in advance of its intention to withdraw the goods from production.[53]

The fundamental element of the management of the commodity element is the development of an assortment concept and the formation of the product range. The assortment concept represents the targeted construction of an optimal assortment structure, when the requirements of certain consumer segments are taken as a basis, and on the other, the need to ensure the most efficient use of raw materials, technological, financial and management resources to produce a product with a minimum cost. Assortment concept - a system of indicators, characterized by the possibility of optimal development of the range:

- 1) the variety of types and varieties of goods;
- 2) the level and frequency of updating the range;
- 3) the level and ratio of prices for goods of this assortment group.

Based on the developed assortment concept, the product range is formed. The essence of the formation of the range - in the planning of all activities aimed at the selection of goods for future production and to bring the characteristics of these products in line with the requirements of consumers. The formation of the range is carried out on the basis of planning and represents a continuous process that continues throughout the entire product life cycle.

Also an important problem is the material and technical support, which must be determined on the basis of the planned production program and the provision of

manufactured products with orders and in order to avoid the outflow of working capital with their acute shortage of stocks.

As for the assortment policy, the considered company LLC “Aeros”, which sells products mainly on the foreign market, can be recommended to apply the following marketing solutions for its improvement.[37]

It is possible to expand the range of products at the expense of supplying the latest developments to consumers in the CIS countries. To implement this solution, it is needed to: firstly conduct a market research of consumers in order to determine the target segment of the model. To research potential consumers, you can conduct a survey of major corporate clients of the enterprise. The study should establish the degree of compliance of the technical and economic characteristics of the model with the expectations and desires of consumers. According to the results of the study, it is necessary to determine the main segments of consumers and determine the target segment (segments) of the new model most attractive for the enterprise, as well as determine the feasibility of introducing new products to the foreign market.

The export strategy of an enterprise is a fundamental program of action that determines the main areas of the enterprise’s activities in the foreign market, taking into account the resources that the company has and the requirements of the foreign market. Based on the practice of foreign economic activities of Ukrainian industrial enterprises, within the framework of the implementation of the export strategy, the most frequently used options for strategic behavior based on marketing tools to promote products, depending on the types of foreign markets and the planning implementation stage of the enterprise, are as follows:

innovation strategy - is an option to enter and consolidate on an already familiar market with a new product by directing the means of the strategy to implement a marketing plan to promote products and work on the development of new products that have unique characteristics;

export diversification strategy - is the inclusion in the production program of the enterprise of products not related to the main profile group of manufactured goods, but retaining technical and technological applicability;

internationalization strategy - the development of foreign markets not only through the export of products, but also through the creation of production facilities abroad;

segmentation strategy - based on the choice of a market segment, characterized by the presence of hidden opportunities to maximize the saturation of the products produced by the company;

cooperation strategy - is a close cooperation with foreign partners through the creation of joint ventures, a common brand, which allows you to use the advantages associated with the foreign partner's knowledge of the market characteristics and the possibility of using the production space and labor resources of the partner.[22]

3.3. Forecasted changes in management system of export activity of LLC

“Aeros” on the basis of suggested measures.

According to one of the proposed methods of improving export activity of LLC “Aeros”, we have chosen the main methods if improving export efficiency is change in terms of delivery and country of supplying with company’s final product.

The optimal term of delivery is changing from CIP basis, which is often used in company’s export activity, to EXW basis. It is also useful to change the final destination country, with existing border with Ukraine and more simple export (import for the another part) legislation.[63]

In my opinion, Hungary is an optimal choice for an alternative foreign trade operation. In this country there is a significant and not fully satisfied demand for such type of products of the company. Hungary is also much closer than other, well developed countries, which reduces the cost of logistics, as a consequence of lowering the retail price of goods, which will make it more competitive or increase the company's profit per unit of goods sold. The country has a quite stable political situation. The currency of the country corresponds to the currency of the contract and does not need to be converted. The company has established channels of delivery to this country, because it exports its products to this country on an ongoing basis. Cultural differences are less significant than in some others European countries, so negotiating with a potential buyer side will be much simpler, which increases the likelihood of a successful deal.[59]

The object of the deal will be the Aeros-2 trolley with the Rotax-912s engine and the Profi TL wing, so it remains unchanged.

In this case, the optimal method of foreign trade operations is straightforward. The enterprise cooperates directly with the consumer. In this way, the company avoids the commission costs of the intermediary, which in turn increases the profitability of the transaction.

To establish a contact with the manufacturer, the customer must contact the company using the email or contact phone number on the company's website. In order

to communicate the requirements regarding the desired order, the consumer must fill out a form order, an instance of which can also be found on the company's website.[4]

CIP or Carriage and Insurance Paid to is an international trading term (Incoterms-2010). The term means that the seller will deliver the goods to the named carrier. In addition, the seller is obliged to pay the costs associated with the carriage of the goods to the named destination. The seller's liability ends after the delivery of the goods to the carrier, which was indicated by the buyer. If there are several carriers, then the liability ends after the delivery of the goods to the first carrier. The buyer carries all the risks and any additional costs incurred after the goods have been delivered. This term is similar to the term CPT, except that the seller also pays the insurance. From the seller, insurance is required only with minimal coverage. Additional insurance is in the buyer's area of responsibility or negotiated with the seller. Also, according to the CIP, the customs procedures for the export of the goods lie on the seller.

The company supplied products on CIP terms to Hamburg. It takes the cost of packing, load on the main vehicle, delivery to the final destination and insurance of the goods. Under this condition, the buyer is actually relieved of the concerns about the delivery of the goods. Of course, in connection with the use of this agreement, the final retail price of the product obtained is increasing, but the foreign counterparty only pays the money and has no other problems, while the company pay all transportation charges. Thus, the company has a stable demand for its products, because the responsibility for the goods goes to the customer from Germany directly in Germany but company pay additional charges. Actually, such type of delivery conditions do not cause difficulties for the company, because LLC "Aeros" works with this country on an ongoing basis and has well-established supply channels.[52]

A new delivery terms is EXW, which is actually no delivery at all. EXW (Ex Works) - "Franco Plant" with the name of the place of the plant, the term Incoterms. The seller's liability ends when the goods are delivered to the buyer or the hired carrier in the seller's premises (for example , factory, factory, warehouse, shop, etc.); the seller is not responsible for loading the goods for transportation, for payment of customs

payments, or for customs clearance of the exported goods; the buyer carries all expenses for the export of goods from the warehouse, transportation, customs clearance, etc.

This term of delivery release company from all of delivery obligations. LLC “Aeros” responsible only for production of such product and packing. After that, buyer takes all delivery charges straight from the company’s warehouse or production facility.

Changes in terms of delivery to EXW allows to decrease price on international market, compare to CIP basis, but increase amount of profit per each single unit of final product sold to the customer. LLC “Aeros” avoid all of delivery charges and get the whole amount of money given by the customer.[36]

Certainly, such changes tend to decrease actual competitiveness of product on international market, because of increase at the general final price of delivered goods for the customer. But the figures in all of price list would be lower, and on psychological level make the product more attractive for the potential buyers.

In the table 3.2 displayed export operation efficiency on the new basis of EXW delivery.

Table 3.2

Indicators of the forecasted efficiency of the new export operation of the LLC “Aeros”.

Indicator	Calculation	Value
Invoice value, euro	$1 \cdot 29999$	29999
Costs of export incurred in accordance with the chosen basis of supply, total, euro	0	0
Cost of goods	-	22873
Cost of goods including delivery expenditures	$22783 + 0$	22783
Export operation effect, euro	$29999 - 22783$	7216
Export efficiency ratio	$29999 / 22783$	1.316

Analyzing the data obtained, we can conclude that the export effect and export efficiency improves significantly. This type of product are competitive, so there would

be none problem with demand on this new term. But there is a tendency to reduce profitability, therefore, there is a decrease in the mass of profits and increases the cost of production.

Actually, it is proposed to expand the range of export products and introduce some new products. New products should be complementary goods with the old, and widespread product, currently existing on the market with good reputation and high demand. Such a feature force customers make their choice on the side of LLC "Aeros".[31]

Table 3.3 show forecasted results of implementation of such changes in delivery terms.

Table 3.3

Forecast of export management reserves of LLC "Aeros".

Indicators	2018 (actual)	Forecast with allowance for reserves		Deviation	
		2019	2020	2019 to 2018	2020 to 2019
Total volume of export, ths. UAH.	54700	61264	68616	6564	7352
Expenses related with export, ths. UAH.	35532	40106,5	43269,8	4574,5	3163,3
Export Effect	19168	21157,5	25346,2	1989,5	4188,7
Gross profit, ths. UAH.	19168	21157,5	25346,2	1989,5	4188,7
Net profit, ths. UAH	13417,6	14810,25	17742,34	1392,7	2932,1
Efficiency of export operations	53,9	52,8	58,6	-0,9	5,8
Cost-effectiveness of export operations,%	37,8	36,9	41,0	-0,83	4,08
Cost-effectiveness of export-related expenses,%	65,0	65,5	63,1	0,5	-2,4

As you can see, from the table 3.3, effect from export operation is much higher, compare to the existing terms of delivery. Also, decrease of price on the international market, regardless of delivery terms, tend to increase of demand for the company's product. That's why the changes in amount of income is higher than export efficiency, mainly because of significant increase in turnover amount.[50]

The export strategy of an enterprise is a fundamental program of action that determines the priority areas of the enterprise's activities in the foreign market, taking into account the resources the company has and the requirements of the foreign market.

Based on the practice of foreign economic activities of Ukrainian industrial enterprises, within the framework of the implementation of the export strategy, the most frequently used options for strategic behavior based on marketing tools to promote products, depending on the types of foreign markets and the planning implementation stage of the enterprise, are as follows:

innovation strategy - is an option to enter and consolidate on an already familiar market with a new product by directing the means of the strategy to implement a marketing plan to promote products and work on the development of new products that have unique characteristics;

export diversification strategy - is the inclusion in the production program of the enterprise of products not related to the main profile group of manufactured goods, but retaining technical and technological applicability;

internationalization strategy - the development of foreign markets not only through the export of products, but also through the creation of production facilities abroad;

segmentation strategy - based on the choice of a market segment, characterized by the presence of hidden opportunities to maximize the saturation of the products produced by the company;

cooperation strategy - is a close cooperation with foreign partners through the creation of joint ventures, a common brand, which allows you to use the advantages associated with the foreign partner's knowledge of the market characteristics and the possibility of using the production space and labor resources of the partner.

Thus, we can conclude that the implementation of foreign trade activities by an enterprise ensures its competitiveness in the market, is beneficial both for the company and for the final consumer, since in this case, he receives a product that meets his needs and is probably not produced in the territory of the given country.

In this part, an analysis of the efficiency of export operations of LLC “Aeros” was conducted, and also on the basis of the analysis carried out, the main measures were formulated to improve the efficiency of export operations.[70]

In the course of the thesis, the analysis of the efficiency of export operations was carried out based on a pre-selected algorithm. This algorithm involves the analysis of the competitive position of the enterprise, analysis of the dynamics and structure of export of LLC “Aeros”, analysis of performance indicators and the effect of export operations. According to the calculations, it is possible to conclude that the efficiency of export operations is not sufficient, and therefore the enterprise’s low competitiveness. The use by Aeros of the reviewed methods for evaluating the efficiency of export operations will lead to the reasonableness of management decisions taken when conducting export activities.

To improve the efficiency of export operations of the LLC “Aeros”, it was proposed to consider the option of change the terms of delivery. After all, the efficiency of exports largely depends on its product structure and cost of delivery to final consumer. The optimal ratio of groups of goods sold by an enterprise is determined by its assortment policy. The task in the formation of the export range is to ensure the dynamic growth of exports of highly profitable goods based on the best use of export resources and taking into account external conditions.[22]

This proposal to improve the efficiency of exports led to a significant increase in profits, strengthening of competitive positions in foreign trade transactions, increased profitability of products.

CONCLUSION TO THE PART 3

Accordingly, the company's weak and strong sides have developed strategic alternatives and ways to improve the management of the company's export business in a globalizing environment. The main one is the changing of delivery terms, which allows to increase return on revenue and amount of company's turnover rate.

Deliver of goods on the EXW basis instead of CIP have following benefits:

- Minimization of expenses for delivery of final product;
- maximizing the profit because of absence of actual delivery process;
- minimization of price in the price list on the international market.

That is, its use will make it possible to improve the profit of the company in the chosen field of foreign economic activity, since it will decrease the costs and help to make some changes in order to increase profit.

The analysis found that the implementation of this project is successful for the enterprise, since it is effective and has a low level of risk. As the profitability index is satisfactory, and this changes actually do not have any payback period because they do not require any significant costs for implementation, so this changes could be already considered as effective before the implementation in the LLC "Aeros". It was also mathematically calculated to improve effect and efficiency of export operations,. So in 2013-2017, the efficiency of export operation was 13-19,6%, which is means that on every successful export operation could bring only 13-20[^] per each spent 100[^]. While forecasting effect from implementation of export operation in the following 2018-2020 years should bring about 31-38[^] per each spent 100[^] on implementation of export operation.

In order to take into account all possible risks and not lead the company to a loss, it is impossible to change everything at once, it is necessary to act gradually and

systematically. Due to the correct understanding of such changes in delivery terms it require to provide change step-by-step, firstly just allow the option of pick-up the final product at production facility, for the buyer.

The globalization of the economy and the processes of expansion of foreign trade turnover on the world market, which accompany it, realization of Ukraine's potential in the world market requires new approaches to the implementation of export activity of the enterprise. After all, it is globalization that helps to optimize the allocation of resources, expand the range of goods and improve their quality, while stimulating the development of the entire international transport and logistics infrastructure serving the international trade as a whole and its individual elements, such as LLC "Aeros".

Competitive positions of well-known enterprises from developed countries in international trade are also manifested through the price mechanism. Their level in foreign markets continues to be an effective lever in managing or weakening the position of the exporter. Although it is believed that export prices are a non-core indicator of competitiveness, the advantage should be influenced by such factors as the level of technical improvement of products, its quality, reliability of operation, conditions and terms of supply and payment. Nevertheless, the role of non-price factors in the competition is far from the same. Depending on markets and goods, they can have a different impact on the efficiency of foreign economic activity. All this forces exporters to carefully study the competitiveness of manufactured goods. At the same time, the high competitiveness of products should not be an end in itself for the enterprise - it is only a means of generating high profits. The firm should be interested in not being irrelevant to the costs of achieving the highest possible competitiveness, and ensuring that it reaches the maximum level of profit. In fact, this means that, for example, Western companies do not work to increase the level of competitiveness in general, but to support its optimal level, in other words, seek to manage it.

To stay at high competitive position in long-term perspective, enterprise should not only effective price management and value formation on the market, but constantly develop its products and stay in innovative direction.

CONCLUSION

Export economic activity plays an important role in integrating our country's economy into the world economy. It should be noted that in the implementation of foreign economic activity there are many problems associated with the management system, and therefore the main task of the state is to provide enterprises with normal conditions for the implementation of foreign economic activity.

The export transaction is an activity aimed at the sale and export of goods for the transfer of ownership to a foreign counterparty. In order to conduct an analysis of the efficiency of export operations, it is necessary to identify the existing types and methods of analysis, as well as consider indicators that characterize the efficiency of foreign economic operations, and in this case, export. The purpose of the analysis of the efficiency of export operations is to establish the ability of an enterprise to continue to carry out these operations, to ensure profitability of activities and the efficiency of the adoption of appropriate decisions.[30]

In the first part is shown data's which displays Ukrainian's economic situation on the international market, and importance of foreign economic activity for Ukrainian economy in general. The amount of foreign trade turnover is almost the same as GDP of Ukraine. So, for Ukraine, as well as, for any country in modern era of globalization, foreign economic activity play a vital role.

Also, first part of this work show Ukrainian export and import structure by countries. In both cases 8 main trade partners form about the half of all trade activities. This means that some countries create a dependence for Ukraine in means of foreign economic operations. Usually it is a neighboring countries.

First part of this paper helps to understand that, management activity is always based on the basic rules that are followed by managers and specialists of the

management body in the process of making those or other decisions. These rules can be declared in special documents or be a kind of tradition, norm, custom. Often, there is a combination of both. There are three levels of principles of foreign economic activity: general, specific and national. The general principles of foreign economic activity are a small number of universally accepted rules that have become peculiar to well-known truths (axioms), which are followed by all participants in international business operations. And although in a variety of publications, the set of these principles may differ, but in the final result, they are reduced to three main: scientific, systematic, mutually beneficial. The science of foreign trade means, first of all, the development of this activity in accordance with objective economic laws. Compliance with this principle in the practice of managing international business involves identifying the organization of demand and supply of its products abroad, the price level, the ratio of their costs to the exporting country, etc. Knowledge of managers of enterprises of the existing theories of international trade helps them to avoid significant failures, reasonably predict changes in international markets. This principle is particularly important in the implementation of international financial settlements, which requires relying on changes in exchange rates.

In the course of the implementation of the second part, we became acquainted with the main types of activity of the LLC “Aeros” and examined its economic and economic characteristics. During the evaluation of the financial position of the company, some indicators that would be recommended to be raised, namely: liquidity and solvency indicators, along with indicators of capital structure and financial independence, were identified. Improving these components of financial and economic activity will allow the company to be more profitable.

The analysis of the environment allowed to determine the trends in the development of markets, which represented the products of the company LLC “Aeros”. And after identifying the strengths, weaknesses, opportunities and threats of the SWOT analysis, ways have been identified to further ensure and potentially improve the overall business performance. Yes, the possible threats of enterprise activity can be considered as the allocation of insufficient amount of market research, which is why there is a

mismatch of the existing range of services to market needs. You can also say about the military-political situation in the country and the unstable world economic situation, which the company can not influence the course, but they directly affect the activities of the organization. The strong sides of the LLC "Aeros" can be considered a solid technological base of production and a good reputation in foreign markets, which are undoubtedly components of the potential success of the enterprise during the export activity.

At the third part of diploma paper was analyse the efficiency of alternative export operation of LLC "Aeros", located in Kyiv, was carried out and is engaged in the production of ultralight aircraft and related products and their sale, both in Ukraine and abroad.

This company propose to conduct an operation on another, EXW basis, instead of usual CIP terms of delivery.

In accordance with the terms of the contract, the basic delivery condition (according to Incoterms 2010) became the EXW, ("Ex Works"). In this case, this means that LLC "Aeros" fulfills its obligations when the is taken by the buyer at the warehouse or production facility.

Payment currency (Euro) is the currency in which the payment is made under the contract. Consequently, we see that the currency of the price and currency of payment in this contract coincide and are called the currency of the contract (currency settlements). In accordance with the terms of the contract, the method of payment was to recalculate the funds into the current account.

With the new terms of delivery the efficiency of export operation increases from 19% to more than 31%. This situation became possible because of absence of any transportation charges from the side of seller. Also, decrease of the actual price in foreign price lists tend to growth in profit for company's production.

Thus, in the course of course work on the theme: "Management of export activity of enterprise" was:

- the theory of organization of export activity of the enterprise is disclosed;
- the characteristic of foreign economic activity of a concrete enterprise is given;

- acquainted with the export activity of a particular company, an assessment of its efficiency;
- alternative export operation with increased efficiency was proposed.

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ANNEXES

Annex A

Balance of Ltd Aeros company for 2013-2017 years

Assets	Line code	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.12.2017
1	2	3	4	5	6	7
I. Non - current assets						
Intangible assets:	1000	0	0	0	0	0
initial value	1001	0	0	0	0	0
accumulated depreciation	1002	0	0	0	0	0
Incomplete capital investment	1005	0	0	0	0	0
Fixed assets:	1010	248136	221332	239313	227153	230079
initial value	1011	249255	222588	240687	245056	231940
wear and tear	1012	1119	1256	1374	17903	1861
Investment Property:	1015	15702	21338	27319	27319	29199
initial value	1016	15702	21338	27319	27319	29199
wear and tear	1017	0	0	0	0	0
Long-term biological assets:	1020	0	0	0	0	0
initial value	1021	0	0	0	0	0
accumulated depreciation	1022	0	0	0	0	0
Long-term financial	1030	0	0	0	0	0

investments:						
which are accounted for using the equity method of other enterprises						
other financial investments	1035	192	192	192	192	192
Long-term receivables	1040	0	0	0	0	0
Deferred tax assets	1045	3117	816	0	0	0
Goodwill	1050	0	0	0	0	0
Deferred aquaculture expenses	1060	0	0	0	0	0
Remaining funds in centralized insurance reserve funds	1065	0	0	0	0	0
1	2	3	4	5	6	7
Other non-current assets	1090	0	0	0	0	0
Total for Section I	1095	267147	243678	266824	254664	259470
II. Current assets						
Stocks	1100	40595	26559	47853	56364	98577
Inventories	1101	0	0	0	0	0
Unfinished production	1102	0	0	0	0	0
Final product	1103	0	0	0	0	0
Goods	1104	0	0	0	0	0
Current biological asset	1110	0	0	0	0	0
Deposits of reinsurance	1115	0	0	0	0	0
Promissory notes received	1120	0	0	0	0	0
Accounts receivable for products, goods, works, services	1125	3396	11226	29229	22312	28222
Accounts receivable by settlement:	1130	1252	1612	1946	952	2406
on advance payments						
with budget 3	1135	4777	3113	90	0	1631
including income tax	1136	4777	3113	90	0	1631
from accrued income	1140	0	0	0	0	0

from internal settlements	1145	0	0	0	0	0
Other Current Accounts Receivable	1155	9930	8183	886	2708	10942
Current financial investments	1160	0	0	0	0	0
Money and their equivalents	1165	1783	15005	13892	30300	30973
Cash	1166	0	0	0	0	0
Bank accounts	1167	0	0	0	0	30973
Costs of future periods	1170	0	0	0	0	0
The share of a reinsurer in insurance reserves	1180	0	0	0	0	0
1	2	3	4	5	6	7
including: reserves of long-term liabilities	1181	0	0	0	0	0
provisions for losses or provisions for due payments	1182	0	0	0	0	0
reserves of unearned premiums	1183	0	0	0	0	0
other insurance reserves	1184	0	0	0	0	0
Other current assets	1190	0	0	0	0	0
Total per section II	1195	61733	65698	93896	112636	172751
III. Non-current assets held for sale and disposal groups	1200	0	0	0	0	0
Balance	1300	328880	309376	360720	367300	432221

Passive	Line code	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.12.2017
1	2	3	4	5	6	7
I. Equity						
Registered (share) capital	1400	6412	6412	6412	6412	6412
Contributions to unregistered authorized	1401	0	0	0	0	0

capital						
Capital in surplus	1405	47328	40595	56787	52710	62910
Additional capital	1410	0	0	0	0	0
Emission Income	1411	0	0	0	0	0
Accumulated exchange rate differences	1412	0	0	0	0	0
Reserve capital	1415	0	0	0	0	0
Retained earnings (uncovered loss)	1420	-52376	-292617	-423625	-393281	-414929
Unpaid capital	1425	0	0	0	0	0
Capital withdrawn	1430	0	0	0	0	0
Other reserves	1435	0	0	0	0	0
Total for Section I	1495	1364	-245610	-360426	-334159	-345607

II. Long-term commitments and collateral

1	2	3	4	5	6	7
Deferred tax liabilities	1500	0	0	7095	5644	10393
Pension obligations	1505	0	0	0	0	0
long-term bank credits	1510	0	0	0	0	0
Other long-term liabilities	1515	189286	330429	480364	536346	638389
Long-term security	1520	1923	3161	2987	3514	2917
Long-term maintenance of staff costs	1521	0	0	0	0	0
Targeted financing	1525	0	0	0	0	0
Charity	1526	0	0	0	0	0
Insurance reserves, including: :	1530	0	0	0	0	0
reserve of long-term liabilities; (At the beginning of the reporting period)	1531	0	0	0	0	0
loss reserve or due allowance; (At the beginning of the reporting period)	1532	0	0	0	0	0
reserve of unearned premiums; (At the	1533	0	0	0	0	0

beginning of the reporting period)						
other insurance reserves; (At the beginning of the reporting period)	1534	0	0	0	0	0
Investment contracts;	1535	0	0	0	0	0
Prize fund	1540	0	0	0	0	0
Reserve for jackpot payment	1545	0	0	0	0	0
Total for Section II	1595	191209	333590	490446	545504	651699
III. Current liabilities and security						
Short-term bank credits	1600	11318	77318	164066	93090	0
Promissory notes issued	1605	0	0	0	0	0
1	2	3	4	5	6	7
Current payables: for long-term obligations 3a	1610	18535	14492	15734	0	0
for goods, work, services	1615	78495	98308	12862	4651	6583
according to calculations with the budget 3a	1620	0	0	0	2386	0
including for income tax	1621	0	0	0	2386	0
on insurance calculations	1625	289	328	419	324	564
on payroll calculations	1630	607	679	896	1337	1985
on receipt of advances	1635	25835	28665	34832	49272	111352
according to the calculations with the participants	1640	99	99	99	99	99
from internal settlements	1645	0	0	0	0	0
for insurance activity	1650	0	0	0	0	0
Current provision	1660	732	971	1538	2864	3265
future revenues	1665	0	0	0	0	0

Deferred commission income from reinsurers	1670	0	0	0	0	0
Other current commitments	1690	397	536	254	1932	2281
Total for Section III	1695	136307	221396	230700	155955	126129
IV. Liabilities related to non-current assets held for sale and disposal groups	1700	0	0	0	0	0
V. Net asset value of non-state pension fund	1800	0	0	0	0	0
Balance	1900	328880	309376	360720	367300	432221

Annex B

Financial position statement of Ltd Aeros company for 2013-2017 years

Article	Line code	2013	2014	2015	2016	2017
1	2	3	4	5	6	7
Net income from sales of goods (goods, works, services)	2000	222621	151599	218281	343357	361709
Net earned insurance premiums	2010	0	0	0	0	0
Awards signed, gross amount	2011	0	0	0	0	0
Awards transferred to reinsurance	2012	0	0	0	0	0
Change in reserve of unearned premiums, gross amount	2013	0	0	0	0	0
Change in the share of reinsurers in the reserve of unearned premiums	2014	0	0	0	0	0

Cost of sold products (goods, works, services)	2050	-	-	-	-	-
		186060	106192	126749	212921	249191
Net losses incurred on insurance payments	2070	0	0	0	0	0
Gross profit	2090	36561	45407	91532	130436	112518
Gross: Damage	2095	0	0	0	0	0
Income (expense) from changes in long-term liability provisions	2105	0	0	0	0	0
Income (expenses) from changes in other insurance reserves	2110	0	0	0	0	0
1	2	3	4	5	6	7
Change in other insurance reserves, gross amount	2111	0	0	0	0	0
Change in the share of reinsurers in other insurance reserves	2112	0	0	0	0	0
Other operating income	2120	10169	10436	21947	24727	16607
Income from changes in the value of assets measured at fair value	2121	0	0	6135	0	0
Income from initial recognition of biological assets and agricultural products	2122	0	0	0	0	0
Revenue from the use of funds released from taxation	2130	()	0	0	0	0
Administrative expenses	2130	-14156	-14229	-11841	-17298	-20649

Selling expenses	2150	-7390	-4573	-6569	-7293	-8042
Other operating expenses	2180	-20936	-70217	-41092	-12294	-9091
Cost of changes in the value of assets that are measured at fair value	2181	0	0	0	0	0
Costs from the initial recognition of biological assets and agricultural products	2182	0	0	0	0	0
Financial result of operating activities: profit	2190	4248	0	53977	118278	91343
1	2	3	4	5	6	7
Financial result of operating activities: loss	2195	0	-33176	0	0	0
Income from equity participation	2200	0	0	0	0	0
Other financial income	2220	0	0	29414	0	0
Other income	2240	12527	2056	8421	263	3721
Income from charity	2241	0	0	0	0	0
Financial expenses	2250	-19215	-4613	-47041	-29006	-12832
Losses from equity participation	2255	0	0	0	0	0
Other expenses	2270	-29847	-	-	-56789	-
Profit (loss) from the influence of inflation on monetary items	2275	0	0	0	0	0
Financial result before tax: profit	2290	0	0	0	32746	0
Financial result before tax: Loss	2295	-32287	-	-	0	-25912
		203040	173743			108144

Income from income tax	2300	-8076	-5144	-6961	-7695	-2462
Profit (loss) from discontinued operations after tax	2305	0	0	0	0	0
Net financial result: profit	2350	0	0	0	25051	0
Net financial result: Loss	2355	-40363	-243917	-135933	0	-28374

Annex C

**Analysis of indicators of financial and economic activity of the enterprise
"Aeros" during 2013-2017**

Indicator	Years								
	2013	2014		2015		2016		2017	
	In fact, ths. UAH.	In fact, ths. UAH	Rate of growth% by 2013	In fact, ths. UAH	Rate of growth% by 2014	In fact, ths. UAH	T Rate of growth% by 2015	In fact, ths. UAH	Rate of growth% by 2016
1	2	3	4	5	6	7	8	9	10
Net income from sales of goods (goods, works, services)	222621	151599	68,10	218281	143,99	343357	157,30	361709	105,3449
Cost of sold products (goods, works, services)	186060	106192	57,07	126749	119,36	212921	167,99	249191	117,0345
Gross profit	36561	45407	124,20	91532	201,58	130436	142,50	112518	86,26299
Other operating income	10169	10436	102,63	21947	210,30	24727	112,67	16607	67,1614

Income from changes in the value of assets measured at fair value	0	0	0,00	6135	-	0	-	0	-
Administrative expenses	14156	14229	100,52	11841	83,22	17298	146,09	20649	119,3722
Selling expenses	7390	4573	61,88	6569	143,65	7293	111,02	8042	110,2701
Other operating expenses	20936	70217	335,39	41092	58,52	12294	29,92	9091	73,94664
Financial result of operating activities: profit	4248	0	0,00	53977	-	118278	219,13	91343	77,22738
Financial result of operating activities: loss	0	33176	0,00	0	0,00	0	-	0	-
Other financial income	0	0	0,00	29414	-	0	-	0	-
Other income	12527	2056	16,41	8421	409,58	263	3,12	3721	1414,829
Financial expenses	19215	4613	24,01	47041	1019,75	29006	61,66	12832	44,23912
Other expenses	29847	203040	680,27	173743	85,57	56789	32,69	108144	190,4312
1	2	3	4	5	6	7	8	9	10
Financial result before tax: profit	0	0	0,00	0	-	32746	-	0	-
Financial result before tax: Loss	32287	238773	739,53	128972	54,01	0	-	25912	-
Income from income tax	8076	5144	63,69	6961	135,32	7695	110,54	2462	31,9948
Net financial result: profit	0	0	0,00	0	-	25051	-	0	-
Net financial result: Loss	40363	243917	604,31	135933	55,73	0	-	28374	-

Annex D

Analysis of the property status of the Aeros company during the years 2013-2017

Indicator	Years													
	2013		2014			2015			2016			2017		
	In fact, ths. UAH.	Share in the structure of property, %	In fact, ths. UAH.	Rate of growth% by 2013	Share in the structure of property, %	In fact, ths. UAH.	Rate of growth% by 2014	Share in the structure of property, %	In fact, ths. UAH.	Rate of growth% by 2015	Share in the structure of property, %	In fact, ths. UAH.	Rate of growth% by 2016	Share in the structure of property, %
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Fixed assets:	248136	75,45	221332	89,20	71,54	239313	108,12	66,34	227153	94,92	61,84	230079	101,29	53,23
initial value	249255	75,79	222588	89,30	71,95	240687	108,13	66,72	245056	101,82	66,72	231940	94,65	53,66
wear and tear	1119	0,34	1256	112,24	0,41	1374	109,39	0,38	17903	1302,98	4,87	1861	10,39	0,43
Investment Property:	15702	4,77	21338	135,89	6,90	27319	128,03	7,57	27319	100,00	7,44	29199	106,88	6,76
initial value	15702	4,77	21338	135,89	6,90	27319	128,03	7,57	27319	100,00	7,44	29199	106,88	6,76

Deferred tax assets	3117	0,95	816	26,18	0,26	0	0,00	0,00	0	-	0,00	0	-	0,00
Total non-current assets	267147	81,23	243678	91,21	78,76	266824	109,50	73,97	254664	95,44	69,33	259470	101,89	60,03
Stocks	40595	12,34	26559	65,42	8,58	47853	180,18	13,27	56364	117,79	15,35	98577	174,89	22,81
Accounts receivable for products, goods, works, services	3396	1,03	11226	330,57	3,63	29229	260,37	8,10	22312	76,34	6,07	28222	126,49	6,53
Accounts receivable by settlement:	1252	0,38	1612	128,75	0,52	1946	120,72	0,54	952	48,92	0,26	2406	252,73	0,56
on advance payments														
with budget	4777	1,45	3113		1,01	90	2,89	0,02	0	0,00	0,00	1631	-	0,38
including income tax	4777	1,45	3113	65,17	1,01	90	2,89	0,02	0	0,00	0,00	1631	-	0,38
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Money and their equivalents	1783	0,54	15005	841,56	4,85	13892	92,58	3,85	30300	218,11	8,25	30973	102,22	7,17
Total current assets	61733	18,77	65698	106,42	21,24	93896	142,92	26,03	112636	119,96	30,67	172751	153,37	39,97
Total assets	328880	100,00	309376	94,07	100,00	360720	116,60	100,00	367300	101,82	100,00	432221	117,68	100,00

Annex E

Analysis of the volume and structure of the capital of the company "Aeros" during 2014-2016

indicator	Years													
	31.12.13		31.12.14			31.12.15			31.12.16			31.12.17		
	In fact, ths. UAH.	Share in the structure of property, %	In fact, ths. UAH.	Rate of growth% by 2013	Share in the structure of property, %	In fact, ths. UAH.	Rate of growth% by 2014	Share in the structure of property, %	In fact, ths. UAH.	Rate of growth% by 2015	Share in the structure of property, %	In fact, ths. UAH.	Rate of growth% by 2016	Share in the structure of property, %
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Registered (share) capital	6412	1,95	6412	100	2,07	6412	100,00	1,78	6412	100,00	1,75	6412	100,00	1,48
Capital in surplus	47328	14,39	40595	85,774	13,12	56787	139,89	15,74	52710	92,82	14,35	62910	119,35	14,56
Retained earnings (uncovered)	-52376	-15,93	-292617	558,69	-94,58	-423625	144,77	-117,44	393281	92,84	-107,07	414929	105,50	-96,00

loss)														
Total equity	1364	0,41	-245610	-18007	-79,39	-360426	146,75	-99,92	-334159	92,71	-90,98	-345607	103,43	-79,96
Deferred tax liabilities	0	0,00	0	0	0,00	7095	-	1,97	5644	79,55	1,54	10393	184,14	2,40
Other long-term liabilities	189286	57,55	330429	174,57	106,80	480364	145,38	133,17	536346	111,65	146,02	638389	119,03	147,70
Long-term security	1923	0,58	3161	164,38	1,02	2987	94,50	0,83	3514	117,64	0,96	2917	83,01	0,67
Total long-term liabilities	191209	58,14	333590	174,46	107,83	490446	147,02	135,96	545504	111,23	148,52	651699	119,47	150,78
Short-term bank credits	11318	3,44	77318	683,14	24,99	164066	212,20	45,48	93090	56,74	25,34	0	0,00	0,00
Current payables:														
for long-term obligations	18535	5,64	14492	78,187	4,68	15734	108,57	4,36	-	-	-	0	0,00	0,00
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
according to calculations with the budget	0	0,00	0		0,00	0	-	0,00	2386	-	0,65	0	0,00	0,00
including for income tax	0	0,00	0	0	0,00	0	-	0,00	2386	-	0,65	0	0,00	0,00
on insurance calculations	289	0,09	328	113,49	0,11	419	127,74	0,12	324	77,33	0,09	564	174,07	0,13
on payroll calculations	607	0,18	679	111,86	0,22	896	131,96	0,25	1337	149,22	0,36	1985	148,47	0,46
on receipt of advances	25835	7,86	28665	110,95	9,27	34832	121,51	9,66	49272	141,46	13,41	111352	225,99	25,76
according to the calculations with the participants	99	0,03	99	100	0,03	99	100,00	0,03	99	100,00	0,03	99	100,00	0,02
Current provision	732	0,22	971	132,65	0,31	1538	158,39	0,43	2864	186,22	0,78	3265	114,00	0,76

Other current commitments	397	0,12	536	135,01	0,17	254	47,39	0,07	1932	760,63	0,53	2281	118,06	0,53
Total current liabilities	136307	41,45	221396	162,42	71,56	230700	104,20	63,96	155955	67,60	42,46	126129	80,88	29,18
Total liabilities	328880	100,00	309376	94,07	100,00	360720	116,60	100,00	367300	101,82	100,00	432221	117,68	100,00